Daily Report

Central Eurasia

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Russia: Yeltsin Confident of Reelection Victory

LD0105135196 Moscow INTERFAX in English 1319 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — Russian President Boris Yeltsin told Interfax in Moscow Wednesday that he was confident of his victory at the June 16 presidential elections.

"The Russians perfectly understand the logic of this struggle," he said. "Their political experience will prompt them for the right choice."

"I have been and will be to many regions of Russia," Yeltsin said when asked whether he was going to visit Chechnya. "Why should not I visit Chechnya?

"Despite my tight schedule of trips and work, I will be there," he pledged.

Russia: Yeltsin Visits Vorobyevy Gory, Poklonnaya Gora

LD0105121496 Moscow Russian Television Network in Russian 1000 GMT 1 May 96

[Video report by correspondent M. Tumanova; from the "Vesti" newscast]

[FBIS Translated Text] The Russian president was expected at the observation platform at Vorobyevy Gory, where the wind blows from all sides, especially today. It seems as if the meeting was planned. Immediately before Yeltsin's arrival, the more outlandish handicrafts disappeared from the stalls. At 1130 the president arrived at the platform. [video shows people in ethnic costumes singing and Yeltsin joining a dancing woman]

Boris Nikolayevich listened to ditties in his honor with respectful attention. He could not decline a woman's invitation to dance.

The president thought that the choir was a real Cossack choir, but it turned out to be Muscovites.

[begin recording] [Yeltsin] They look like Cossacks — both men and women.

[Unidentified correspondent] The Russian president and Moscow's mayor bought some souvenirs for the youngsters in their families. The president enquired if there was a matryeshka doll depicting Luzhkov. Alas, then he bought ordinary ones.

[Yeltsin] A real Russian matryeshka doll with blue eyes.

[Unidentified speaker] There is a more beautiful one.

[Yeltsin] With a crown, a crown. I will buy this one as well.

[Luzhkov] I will have this one. Not this one, that one. For a girl. How much is it?

[Peddler] This one is 95,000 rubles.

[Yeltsin] How much is it for two?

[Peddler] For two — 96,000 rubles.

[Yeltsin] Here is a 100,000 ruble bill. Oh, it is a 50,000 ruble bill. [laughs] I have almost cheated you. [end recording]

At midday the president arrived at Poklonnaya Gora. Here he attended a service at the Church of St. George the Victorious. A spring shower continued in Moscow throughout his visit. That is why the president only received congratulations and a bunch of flowers from little Muscovites.

A big festive program is awaiting everyone who has come to Poklonnaya Gora, public festivities to the accompaniment of an orchestra will continue until evening.

Russia: Yeltsin Receives Lebed, Discusses Political Situation

LD0205102296 Moscow ITAR-TASS World Service in Russian 0932 GMT 2 May 96

[By ITAR-TASS correspondent Andrey Surzhanskiy]

[FBIS Translated Text] Moscow, 2 May (ITAR-TASS) — In the Kremlin today Russian President Boris Yeltsin met with Aleksandr Lebed, a candidate for the Russian presidency. An ITAR-TASS correspondent was told this by Sergey Medvedev, the head of state's press secretary.

He said that, during the conversation, there was discussion of the political situation developing within the country during the run-up to the elections. Both presidential candidates confirmed their position that the elections should be held with all the democratic principles being observed and at the appointed time. Sergey Medvedev stressed that both Boris Yeltsin and Aleksandr Lebed share the view that no candidate should, during the electoral struggle, issue calls that would inflame interethnic divisions and chauvinism, as well as any other slogans that are at odds with the Russian constitution. The presidential press secretary said that the progress made in settling the Chechen crisis was also discussed.

Answering a question from an ITAR-TASS correspondent, Sergey Medvedev did not rule out the possibility that Boris Yeltsin will have meetings with other candidates for the post of head of state. He also said that the

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president will be flying to Yaroslavl early in the morning of 3 May within the framework of his trips around the country's regions.

Russia: Poll Says Yeltsin Losing Ground to Zyuganov

MS0105103896 London THE TIMES in English 1 May 96 p 12

[Report by Thomas De Waal; "Yeltsin Trails Badly in Russia's Biggest Opinion Poll So Far"]

[FBIS Transcribed Text] Moscow — The biggest opinion poll yet in the Russian presidential election campaign yesterday gave Gennadiy Zyuganov, the Communist Party challenger, an overwhelming lead, starkly contradicting suggestions that President Yeltsin is making a comeback.

The poll of 6,000 people across the whole of Russia by the Institute of the Sociology of Parliamentarianism put Mr Zyuganov's support at between 38 and 47 per cent, and Mr Yeltsin's at between 16 and 20 per cent. The other candidates were a long way behind. The upper limit of Mr Zyuganov's support would leave him only 3 per cent short of an outright victory in the first round of voting.

If accurate, the poll is dire news for President Yeltsin, who has thrown a great deal of political ammunition into the first two months of his campaign. He has sacked officials suspected of corruption, paid unpaid wages and unveiled a new peace plan for Chechnya.

Polling in Russia is relatively new and there has been speculation in Moscow that other polls showing a recovery by Mr Yeltsin have been inflated. Nugzar Betaneli, the director of the institute, said he stood by his data because of the size of the sample and the track record of his organisation. In the parliamentary elections of 1993 and 1995, it was virtually alone in success fully predicting the strong showing by the extreme nationalist Liberal Democratic Party.

Some Yeltsin supporters are worried that the President started to woo the voters too late, and Viktor Ilyushin, his main strategist and aide, admitted over the weekend that the campaign was not going well.

Another straw in the wind suggesting that the President was in trouble was the decision by a leading Moscow newspaper quietly to abandon the idea of printing a regular selection of readers' letters about the election. The editors were surprised by the overwhelmingly negative tone towards Mr Yeltsin.

Mr Betaneli said he expected the situation to change before polling day, but that President Yeltsin faced an uphill battle to win re-election. The Communist Party, with an estimated membership of 500,000 and a strong regional network, is running a very strong campaign so far.

Mr Betaneli said the President's chances could improve strongly in a second-round run-off with Mr Zyuganov if he managed to win the endorsement of three other challengers: Aleksandr Lebed, a retired general; Grigoriy Yavlinskiy, a liberal economist; and Svyatoslav Fedorov, an eye surgeon.

Both main candidates have been raising the stakes in the election campaign in recent days. President Yeltsin said that, if the Communists won, it would mean civil war in Russia.

Most of the media have thrown their weight behind the President, including the independently owned NTV channel, whose director has unexpectedly become a media adviser to President Yeltsin's campaign.

Another leading liberal television commentator, Nikolay Svanidze, said he and his colleagues had no option but to back Mr Yeltsin. "I am not sure that people in the West understand that a political fight is going on here that has no rules. And if the Communists win, then the media will lose their independence. There is no choice."

Mr Zyuganov has accused some of Mr Yeltsin's advisers of planning to cancel the elections.

Russia: Union of Moscow Workers To Back Zyuganov in Election

MM0105132096 Moscow PRAVDA in Russian 30 Apr 96 p 2

[Report by Valentina Nikiforova: "Workers' Appeal"]

[FBIS Translated Text] The second congress of the Union of Moscow Workers was held 27 April. Ninety-eight delegates from more than 40 enterprises in the capital discussed the main question — the organization of the workers' movement.

It is almost five years since the first workers' congress. The country has changed and become hostile to the working man. Recently the powers that be have been openly waging an undeclared war against him using the most primitive methods — the carrot and the stick. But disunited and disorganized workers cannot oppose this. So far their protests have been taking the form of complaints and only the most resolute have been picketing Government House. But regrettably, the efforts of the Workers Council elected at the first congress to conduct active economic and legal education have not led to mass enlightenment among the capital's workers. This criticism was voiced by congress guest

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Anatoliy Ivanin, a miner from the Smolensk region: "When we picketed the State Duma in 1994 did we receive the support of Muscovites and the ZIL plant?" The consequence of that is that 70 ZIL workers began a legal battle in February for the prompt payment of wages but who knows about it and supports them?

No, it is no coincidence that the question of the organization of the workers' movement was raised in its original form at the second workers' congress. The past five years have merely confirmed that working people cannot defend their rights without organization. Yes, those years have not been wasted. The Workers' Union and its council have been formed and registered. Activists have taken part in organizing the Working Moscow and Working Capital City movements, saved Soviet power in September-October 1993, and fought for deputies' seats in the State Duma. But this is just the beginning. Workers' Council members F. Kuleshov, V. Shishkarev, S. Trokhin, Yu. Biryukhov, I. Lunochkin, M. Dzhanashtayev, and other activists noted that the main aim has not been achieved: They have not been able to organize opposition to the capitalization and destruction of the country.

A harsh and self-critical assessment. It was reinforced by the search for reasons. K. Nikolayev, the first chairman of the Workers' Council, named one of those reasons: On 20 July 1991 when the first workers' congress was being held, B. Yeltsin signed the edict on the departyization of enterprises. The power-hungry were afraid that the workers would become active and under the leadership of party organizations would quickly understand the situation and then no promises of private property bliss would persuade them to accept privatization and flotation.

Then the authorities stepped in and took away the hero's strength. It is only now that the disunited, plundered, and humiliated workers are beginning to understand what has happened.

By an overwhelming majority the Congress of Moscow Workers adopted a resolution in support of Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation, in the presidential election and agreed to confirm this decision by signing an agreement. Let us hope that this will be the first step toward healing the disunity.

Russia: Call for Charges To Be Dropped Against Gorbachev Attacker

LD0105134096 Moscow INTERFAX in English 1209 GMT 1 May 96

[FBIS Transcribed Text] BARNAUL, Russia, May 1 (Interfax-Eurasia) — A May Day rally in Barnaul on Wednesday [1 May] demanded quashing a prosecution against a man who last week made a physical assault on former Soviet President Mikhail Gorbachev.

Speakers at the rally said Gorbachev, whom assaulter Mikhail Malyukov hit in the face during a presidential election campaign meeting in Omsk, Siberia, shared the responsibility of today's Russian president and government for the "disastrous" current situation in the country.

Held under red flags near a statue of Lenin on the central square of Barnaul, a city in Altay territory, the rally urged "all honest Russians" to vote for Communist Party leader Gennadiy Zyuganov at the June 16 presidential election.

While the rally organizers had said about 7,000 people would attend the meeting, local law enforcement authorities said much fewer had turned out.

Russia: Zhirinovskiy Interviewed on Election Campaign, Candidates

MM0105154096 Moscow ARGUMENTY I FAKTY in Russian No. 18, May 96 (Signed to Press 29 Apr 96) p 3

[Interview with Liberal Democratic Party of Russia leader Vladimir Zhirinovskiy by unnamed interviewer; place and date not given: "Vladimir Zhirinovskiy: 'I Have Long Been in Conflict With Society'"]

[FBIS Translated Text] Vladimir Volfovich Zhirinovskiy is making his political career under a slogan which is not traditional for our politicians: "Nothing human is alien to me." At a time when his competitors are diligently making themselves out to be excellent performers in terms of combat and political training, Zhirinovskiy has a rendezvous with a porno star in a night club, organizes a sensational wedding ceremony with his own wife, or sits in a red uniform made by V. Zaytsev on a golden throne on a brightly lit stage in front of a large audience....

[ARGUMENTY I FAKTY] Your wedding ceremony surprised many people....

[Zhirinovskiy] Well, it is all part of the campaign! The wedding ceremony and the anniversary — 25 years of life together — are a strong talking point which must be used! Why not show that I am a supporter of a solid, firm family, an Orthodox believer....

[ARGUMENTY I FAKTY] If you can, please tell us why you are so shy about your family origins? "My father was a lawyer" has become a catchphrase....

[Zhirinovskiy] But my father was a lawyer. The democrats are trying to prove he was Jewish. But I

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say: If he was a Jew, just you find some relatives! I did not know my father myself, he died very early. I was born in April 1946, he died in the fall.... My mother, incidentally, later remarried, I had a stepfather. I could have changed my patronymic ten times and become Andreyevich or Vladimirovich, but I did not want to.

[ARGUMENTY I FAKTY] It would appear that you are a good family man: You have just celebrated your silver wedding anniversary, you have three children....

[Zhirinovskiy] I have a dual attitude towards the family. I would like to be a good father and husband, but life has been such that I have not been able to be. I have a cold attitude toward everyone, although, I freely admit, my wife does not like this. Toward everyone — sisters, brothers.... Because the closer my relationship with them would be, the more it would hamper my work. I am sure if you are serious about politics it is not possible to have a good family.

[ARGUMENTY I FAKTY] And what about Clinton and Hillary? Or Gorbachev?

[Zhirinovskiy] Gorbachev has an excellent family. But what happened in politics? If he had been tougher, more decisive this would definitely not have pleased his wife and children. But a certain number of citizens would have gained from this! Take Yavlinskiy or Gaydar — I am sure they have good family relationships. But they do not have sufficient decisiveness, will, or toughness for politics. And politics demands this! A statesman should be feared. What is the trouble with Yavlinskiy and Fedorov? No one fears them.

[ARGUMENTY I FAKTY] Unlike you.... Do you think waving handcuffs around in the Duma is a suitable means of inspiring fear?

[Zhirinovskiy] I have been against the Belovezhskaya agreements for a long time. I know four people who suggested this option to Yeltsin — Burbulis, Gaydar, Shakhray, and Kozyrev — and I wanted to issue a threat against the authors of these agreements.... And then I was the only person who on 19 August wanted to speak in defense of the State Committee for the State of Emergency. Not in defense of its organizers (it would naturally have been very bad if they had come to power) — I was defending the idea, our common space! Even then I understood how all this would end: how many people would die and how much blood would be shed....

[ARGUMENTY I FAKTY] So the handcuffs were a well thought-out action, not an impulse, as many people think?

[Zhirinovskiy] Yes! I knew that I would be speaking before representatives of all factions, so I took the handcuffs from my bodyguard and deliberately put them in my pocket.... Yes, perhaps I agree that by such actions I am losing in the eyes of those who want real freedom. But on the other hand I am gaining in the eyes of Zyuganov's electorate! The workers of Bryansk liked the episode with the handcuffs, and that was his electorate! It is important to them that I struck a real blow at those who have made their lives bad.

[ARGUMENTY I FAKTY] When speaking of the authors of the Belovezhskaya agreements, did you deliberately not name the president?

[Zhirinovskiy] My attitude towards Yeltsin's regime is milder today not because I agree with what is happening. I proceed from the assumption that if, as the Communists wish, confrontation starts, then a small-scale civil war will begin. And perhaps, a large-scale one.

[ARGUMENTY I FAKTY] So you are taking an openly pro-presidential stance?

[Zhirinovskiy] Listen, I watch all of Zyuganov's broadcasts, and if I were not a presidential candidate I would vote for him! Yeltsin's team does not have a fundamental message, and this is irritating. Poltoranin has turned out to be weak — he could criticize the Communists, but he has not been able to win people's sympathies. Yavlinskiy is also weak from this point of view.... A politician needs to have an identity and to know how to speak! Take Gaydar. When I say that he looks like a piglet constantly smacking its lips as if it had just left a trough of condensed milk, the hall bursts out laughing! I can hold an audience, not everyone can do this.... I bewitch the hall — people clap at each good phrase.

[ARGUMENTY I FAKTY] So the rumors that you offered yourself to Chernomyrdin as a propagandist are not without foundation?

[Zhirinovskiy] Yes, I offered myself. And completely free of charge. As it is, when I'm speaking I tear the Communists to shreds. When I was in Orel I went into the church and found a priest there whom Zyuganov, as head of the Ideological Department of the Orel CPSU City Committee, had put in prison and whose church he had closed. I spoke for an hour and a half live on Orel commercial television, campaigning purely against Zyuganov. And this is his home town, where he comes from. I conveyed my suggestion to Chernomyrdin via intermediaries: I will take the Communists' electorate and will not touch a single Yeltsin voter. And I do not want a high-ranking post in exchange for this.... But they do not want this!

[ARGUMENTY I FAKTY] How do you yourself explain their unwillingness to cooperate with you?

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[Zhirinovskiy] If Yeltsin's entourage really wanted him to win they should be changing today at a furious pace. I would tear Zyuganov to pieces, and the people would vote for the president. And if Zyuganov did not make it into the second round, but I did, then the "fascist" (as I am called) who wants to destroy Chechnya would be up against the father of democracy. And the country would be saved.

[ARGUMENTY I FAKTY] It is hard to believe in such political altruism....

[Zhirinovskiy] During the first stage I am prepared to do this to save face for the country. Although if I do not win this election we will have a coup in 1997 anyway. A Pinochet regime in the country is inevitable. Neither Yeltsin nor Zyuganov will prevent anything: If Yeltsin stays a Pinochet will be forced to replace him. If Zyuganov comes to power the people will demand a Pinochet.... Because the people want a Stalin! And I say to the people: "If you like, I will be Stalin! But without the Gulag and the mass repressions". Psychologically, people like this.

[ARGUMENTY I FAKTY] So you do not think there will be a victor from the Yeltsin-Zyuganov pair?

[Zhirinovskiy] They are locked together in a fight to the death and are destroying one another. Yeltsin's team is stating that it will not go and will not let the Communists in. But how? Objectively, Zyuganov is winning: Today he has 22 percent for the country as a whole, Yeltsin has 5 percent.... They know that the elections represent the end for them. And the fact that the president's team does not wish to change its campaign proves that they have a strong-arm scenario for solving the problem.

[ARGUMENTY I FAKTY] How do you see your own chances of victory?

[Zhirinovskiy] I might get 15 to 20 percent.... You see, I have to spend 2 billion rubles on the upkeep of the party a month. Sponsors give me this money, but it is not enough: Ten times more is needed. Then my victory would be assured. I would stifle the Communists and call in the democrats.... But I do not think there will be any elections. Clashes and acts of terrorism will begin on 1-2 May, the Communist Party of the Russian Federation will be blamed for the events in order to get rid of Zyuganov as a candidate, or his party will simply be banned, and on 9 May troops will be brought into Moscow on the pretext of the parade, and October 1993 will be repeated.

[ARGUMENTY I FAKTY] But nevertheless, if the anticommunist coalition wins and you are offered a high post in the cabinet, you will not refuse?

[Zhirinovskiy] I think the ideal scenario would be for me to be appointed minister of internal affairs, but without the command of the Internal Troops. Go ahead, I am ready to do the donkeywork and clean out the Augean stables. The people will understand if I begin to fight the Communists, ban their rallies, and in the final analysis demand that the Communist Party be banned. I know how to fight them and how to fight crime.

[ARGUMENTY I FAKTY] And how is that?

[Zhirinovskiy] I will summon the "kingpins" and I will say to gangleader Vasya Kuznetsov: "Vasya, you must destroy six ethnic [criminal] groupings in Ivanovo, Kostroma, or Ryazan. After that, your gang will receive clean passports and you can consider yourselves free citizens...." During the first stage you have to play with fear!

[ARGUMENTY I FAKTY] If you become president, will you use similar methods?

[Zhirinovskiy] Yes. If I see resistance — I will switch to repressions. I am not Stalin and I am not a Communist, this would be a temporary measure. An ideological measure. The repressions need not affect many people — just a few show trials would be needed. If you tried 10 people from each oblast, that would be enough to improve the health of society.

[ARGUMENTY I FAKTY] The impression is that you are a one-man band. Who is around you, who could you put into your cabinet?

[Zhirinovskiy] I am now taking on Vladislav Shvets, the second secretary of the Lithuanian Communist Party Central Committee. He has experience of party organizational work.

[ARGUMENTY I FAKTY] And who could be prime minister?

[Zhirinovskiy] I could take the head of administration of a region. For example, Polezhayev from Omsk Oblast. Mitrofanov could be foreign minister. He graduated from the Moscow State Institute of International Relations. A combat officer in Chechnya could be chosen for the post of defense minister.

[ARGUMENTY I FAKTY] Why are you so fond of Grachev?

[Zhirinovskiy] I am not fond of him. But they want to put someone even worse in his place, and everyone thinks that I am defending Grachev.

But the main thing is he is a leader. I regret that my team is weaker than that of the Communists or democrats. The Communists had the old guard, the democrats have

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been able to form a team in recent years. We have not been in power. I may have less experience and no team, but I am winning psychologically.

[ARGUMENTY I FAKTY] Vladimir Volfovich, what is your attitude toward criticism of you?

[Zhirinovskiy] I have often told representatives of democratic publications: If you want to destroy me, praise me. Because the people see me as a fighter against both the Communists and the democrats. They are disillusioned with both of them! And I claim that I will solve problems which the Communists could not.

[ARGUMENTY I FAKTY] How?

[Zhirinovskiy] At the expense of other regions. At the expense of the Central Asians. We will simply stop aid to them. If this is done, 30 per cent of our wealth will remain in Russia. We will give this to our poor so that they become richer.

[ARGUMENTY I FAKTY] What if the regions do not agree? If war begins?

[Zhirinovskiy] It will not begin! I tell you this as an expert... In September 1993, at the height of the war [as published], NTV showed photographs of me kissing Dudayev. In Russia this is virtually proof of homosexuality, but in the east it is the custom. There, if you do not kiss someone, it means you do not respect them. I have kissed Husayn and Al-Qadhdhafi.... When I embraced Dudayev there was not yet any war, and he told me: "If you were in the Kremlin rather than Yeltsin, we would not be engaged in war. We do not want to die alongside you. Our country is dying and you are pushing us into this..." The Chechens should not separate from Russia. Although they are essentially good people, they are a nation of bandits. Their bandit nature needs to be channeled in a different direction: Let them turn their weapons from the north to the south!

[ARGUMENTY I FAKTY] To implement your famous idea of washing boots in the Indian Ocean?

[Zhirinovskiy] That is a marvelous idea! It is on a grand scale, young people like it!.. But people distort my ideas: Just a few bits are usually extracted from my book "The Last Dash to the South," yet I took many years to write it, it is the fruit of my thoughts! My thought was this — the possibility of Russia reaching the Indian Ocean between Afghanistan and Iran. These two states will disintegrate and we will be able to secure a narrow corridor! Moreover, when we were in Afghanistan we were only one night's march away from the Indian Ocean! We should not have gone into Afghanistan. But once we had gone in, we should have taken everything from it! Then Russia would have been washed by the Baltic Sea and two oceans — the Pacific and the Indian.

[ARGUMENTY I FAKTY] So you see the problem of recarving borders as a real one?

[Zhirinovskiy] What is our problem today? If there were 30 million of us Russians, then Central Asia and the Transcaucasus could go to hell! But there are 150 million of us! If we start to shrink we will destroy one another! There is not enough work, food.... The Turks are to the south of us. If we give them Central Asia they will go further: They will demand Tatarstan, Bashkortostan, Chuvashia. And it is in the interests of China and the West to put us against the Muslim world: We will weaken one another, and then they will divide us up! Turkish officers are now training the Turkmen, Uzbek, and Azerbaijani armies!

[ARGUMENTY I FAKTY] If you become president, how will you start implementing your geopolitical ideas?

[Zhirinovskiy] By bringing back prisoners from Afghanistan. I will summon the ambassadors of Afghanistan and Pakistan (they, incidentally, are already afraid of this) and I will say that all 300 of our prisoners of war must be at Sheremetyevo-2 [airport] within two to three weeks. If you do not do this, I will give a free hand to the Federal Security Service, the navy, and my own mojahedin. And I swear our prisoners will be handed over on time!

[ARGUMENTY I FAKTY] Vladimir Volfovich, do you not think that many of your opinions could be faulted for being over-emotional?

[Zhirinovskiy] Yes, yes.... But my charisma lies in my naturalness, and I do not try to suppress it. In 1996 I will gain votes for being frank and natural. I want multifaceted appreciation of politicians! When you speak about inflation and crime, this does not reveal the personality. So show a different side of yourself! If there are, say, 10 candidates for the post of president, I suggest a way of choosing. Let us play out a scene from everyday life: A baby is crying, it needs to be soothed. The majority of candidates would not even be able to pick it up despite the fact that they already have grandchildren!

[ARGUMENTY I FAKTY] Vladimir Volfovich, you are 50. Do you not feel tired?

[Zhirinovskiy] I am not a fanatic. I am prepared to stop at any moment: not to go anywhere, to be an ordinary person.... And I will still feel satisfied because I ran the distance I wanted to run.... Of course, I had ambitious moments when I was young — I dreamed of becoming

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a KGB officer, a diplomat, an investigator.... The intelligence profession appealed to me — I saw mystery and strength in this! A police officer is somehow vulgar, but an intelligence officer...

[ARGUMENTY I FAKTY] So the rumors of your KGB connections are not without foundation?

[Zhirinovskiy] Yes, I honestly admit that I wanted to join. But they did not take me — I was of dubious origin and was not a member of the CPSU.... I grew up in real poverty: I was only fed where my mother worked — she worked in a cafeteria.... It was astonishing for me if there was hot water at home. And my health was weak because of poor nutrition so I could not demonstrate sufficient physical strength.... I grew up as an outsider, as it were: All the children would play together with shared toys but they did not accept me.... So I have been in conflict with society from my birth.

Russia: Presidential Candidate Bryntsalov Profiled

MM0105135396 Moscow IZVESTIYA in Russian 30 Apr 96 p 5

[Article by Kirill Svetitskiy and Besik Urigashvili: "Another Kind of Socialism — With Bryntsalov's Face"]

[FBIS Translated Text] If the Communists had wanted to create a composite image of the "savage face of Russian capitalism," they would not have had to look far for a suitable candidate. The Central Electoral Commission registered 49-year old Vladimir Bryntsalov, owner of Russia's largest pharmaceutical company, FAO Verein, as a Russian presidential candidate 26 April.

"Why am I such a sensible person," Bryntsalov asked us during a two-hour meeting, and answered his own question: "Because I have a good income, tasty food, and a beautiful wife."

But Bryntsalov did not have a good wife right away. He remembers often running around the city of Cherkessk as a child in galoshes tied up with string. He lived in a dilapidated shack. After training at an institute he was assigned to work as a mine engineer. But, as Bryntsalov put it, his heart was not in this dead-end job. So, he went into administration and joined the CPSU. From which he was successfully expelled in 1979, 1980, or 1981. Bryntsalov does not have an accurate memory for dates. But he does remember the reason: "I built myself a home, and envious people informed on me."

In 1987 he organized the Pchelka agricultural cooperative in Moscow, specializing in the production of honey and medicines based on royal jelly [pchelinoye molochko]. That same year Bryntsalov organized the Association of Medicine Producers of Moscow, which included his Pchelka and three pharmaceutical plants. The association became known as Verein FAO [expansion unknown] 1 September 1990 and Bryntsalov was elected its president. In 1992 he became the full owner of Verein, having bought up 90 percent of the shares.

These are the milestones in the official biography of Bryntsalov, the "Russian Rockefeller" and self-made man. He is trying his utmost to live up to the image of the super-rich, eccentric, new Russian. He particularly insists on his Russianness. "Armenians do not mind what lies in the future or what lies in the past," the billionaire loves to say during interviews.

Bryntsalov is not stinting now, buying up whole pages of Russian and foreign publications where he presents himself as a straightforward, ordinary guy. In order to fully match the image he wears crocodile shoes and a tie covered with camomile flowers, calls his 25-year old daughter and 28-year old wife "fools" in public, and rips up the diplomas he has bought.

When speaking in public and meeting with journalists he usually swaggers around and talks such nonsense that people are dumbfounded. "Vladimir Alekseyevich, you have so much money: Why do you want the presidency?" we asked Bryntsalov. With a glance at the gilded czar's throne in his office Bryntsalov replied: "Supreme power is the greatest source of wealth. I have had my fill of bread; I want power!" However, developing his idea, literally a minute later he came to the opposite conclusion: "I do not want power. My job is to produce goods and get rich. And take your money with style. So I will help Boris Nikolayevich [Yeltsin]. And I will be glad if he appreciates me and accepts my program."

Bryntsalov's democracy takes the form of a triangle, which has become the emblem of the Russian Socialist Party that the billionaire recently set up for himself. The triangle shares the colors of the Russian flag. Bryntsalov explains the choice of colors as follows: "The people are the foundation, and they are always red; the government is on the left, so it is blue; and I am on the right, a capitalist, and I am white. The government and I must support one another."

Bryntsalov sees the economic foundations of Russian national socialism as follows: "I do not want to capture the mail, the telegraph office, or the radio. I am opposed to revolutions. I do not want to lift the people off their knees. Let them just crawl — but with full pockets." Bryntsalov makes sure that he stands to gain from having a rich people, who will be able to buy his products and make him rich: "If I had access to the world market, I would ... [ellipsis as published] on all

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of you. But they have enough big fish of their own out there."

We were interested to find out what the concept of Russian socialism looks like in practice. So, we went to Moscow Oblast's Elektrogorsk, where ordinary Russian people at the Antigen Pharmaceutical Plant add to Bryntsalov's financial might far from the political window-dressing and television spotlights. They get more money for this than at other enterprises in the city. And given the dearth of jobs outside they are hanging on to the ones they have despite the 12-hour working day and their complete lack of rights.

This lack of rights is legalized by one of the conceptual ideas of Russian socialism Bryntsalov-style, which he has introduced at his enterprises. The billionaire quite successfully combines the jobs of owner and... chairman of his company's trade union organization. About half the plant's workers will be dismissed shortly owing to the fall in Verein vodka production. But there is no sign of indignant grumbling. Iron discipline is maintained by fear rather than by mutual consent. Needless to say, this is far from a civilized understanding of socialism. But it is very effective.

The Antigen plant, which occupies an area of 80 hectares, is perhaps the brightest jewel in the new Russian billionaire's crown. It was included with other enterprises in Verein FAO by order of the head of the Mosmedpreparaty Association in 1990. The plant was the USSR's most progressive pharmaceutical enterprise, a vital Komsomol [Communist Youth League] construction site. At one stroke of the pen this state enterprise, which was extremely profitable at the time, became private property. At the time the word "privatization" simply did not exist. And party organs took an extremely harsh view of any nationalization that did not come under their control.

The local authorities are still trying to dispute the legality of Antigen's transfer to Verein FAO. This matter was even investigated by the Court of Arbitration, which acknowledged the unlawfulness of Mosmedpreparaty's actions. However, some pretty influential forces behind Bryntsalov are successfully blocking all attempts by state organs to investigate the basis of the new Russian billionaire's financial prosperity.

"When we set up Verein FAO I simply came along with a sack of money and put it into the incorporation capital. The sack contained around 120 million [rubles], and I later invested more," Bryntsalov said. Among the cofounders he named the aforementioned Mosmedpreparaty and Moscow's Krasnogvardeyskiy Rayon Soviet Executive Committee. But for some reason he forget to mention the National Association of Sportsmen, one of structures established by the late Otari Kvantrishvili, who had close contacts with the criminal world, law-enforcement agencies, and the corridors of power.

"I earned my money at Pchelka," Bryntsalov assured us. In order to earn 120 million rubles in spare capital from beekeeping in 1990, you probably had to sell royal jelly like beer at kiosks. That is in half-liter tankards. And it was probably necessary for citizens to experience the same kind of demand for that product as for beer. We were told by informed members of Elektrogorsk's law-enforcement agencies that the FAO's financial-industrial empire was not built on royal jelly. Money from Kvantrishvili's "sportsmen" on the one hand played a large role along with, on the other, powerful backing from important officials at the Soviet Ministry of Health and Medical Industry. It may be that the financial influence which raised Bryntsalov to the heights of glory originates from even loftier spheres of the party-soviet apparatus.

Bryntsalov himself was not burdened with criminal connections or state posts. His name did not attract unnecessary attention. One Federal Security Service staffer, who "studied" State Duma candidate V. Bryntsalov in 1993 on the eve of the elections on instructions from his central office, told us in amazement: "We carried out extremely thorough operational checks, but Bryntsalov proved absolutely clean. At the same time we realized that it was simply impossible to earn such crazy sums of money in 1990 without criminal involvement." The choice was unusually apt. Bryntsalov proved a zealous owner, moreover. His rivals envy his professional skill.

"Do bandits 'blackmail'" you?" we asked Bryntsalov. Looking at us with his cold, gray eyes, the billionaire suddenly stopped clowning around and smiled unkindly:

"Their bones have long been rotting in Moscow Oblast's forests."

There was an awkward pause. We remembered Bryntsalov's guard — an armed subunit of 300 crack fighters. And we believed our interlocutor's words.

It seems that the real Bryntsalov is a long way from the role that he is now playing on the election campaign stage. Needless to say, he cannot put up a realistic campaign for the presidency. And Verein can be promoted far more cheaply. But this is the only way, atop a wave of scandal, that he can rapidly become a socially significant figure; and influence from that elevated position the minds of the population en masse in a most paradoxical fashion.

It is obvious now that Bryntsalov is becoming the "bugbear of capitalism." All the tasteless luxury that he flaunts before the country madly irritates the needy:

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his palatial homes; the $18,000 a day that he gives his wife for minor expenditure; the Shilov pictures on the walls; the $10,000 belt that he bought in a store just because the salesgirl did not recognize him.... The intelligent billionaire is indeed skillfully and brilliantly playing the role of the isolated nouveau riche. You can commit many follies through boredom. But Bryntsalov would not undermine his own prosperity.

But he is deliberately shaking the already fragile social equilibrium. Perhaps in order to ensure that it is easier for the agitated minds of the nation to accept the ideology of which Bryntsalov is the mouthpiece? In 1990 high-ranking state and party officials "salted away" plenty of money. It is not impossible that Verein FAO was another "Field of Wonders." Bryntsalov was raised there and has now begun producing ideas as well as money.

"The world has had two well-known socialists: Iosif Stalin and Adolf Hitler. The former," Bryntsalov said confidentially, "wanted to build world socialism using the Russian people. The latter wanted to build socialism for the German people using the whole world. They failed utterly. I have come up with the third socialist path, the most correct and national! We will build socialism for the Russian people. Using the Russian people."

So, if the Bryntsalovists come to power, we will be faced with another "Great Experiment." And in the wake of the residents of Elektrogorsk we will see "new socialism" with Bryntsalov's face.

Russia: Russian Socialist Party Program Published

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30 Apr 96 p 6

["Program of Russian Socialist Party," signed by V.A. Bryntsalov, chairman of the Russian Socialist Party Organizing Committee — footnote states that it is "Published on a commercial basis"]

[FBIS Translated Text]

1. Introduction

1.1 A difficult, contradictory process of formation and renewal of all aspects of Russian society's life is taking place. The spiritual and political crises are obvious. The political and economic freedoms of Russian Federation citizens are constrained. There are continuing malfunctions in major mechanisms of Russian statehood in the structures of power and society.

1.2 The rhythm and expedient interaction of all aspects of Russia's life are being regularly distorted. Against this background there has been an increase in the plundering of resources, export of capital, dependence on foreign states, and direct economic and political oppression of Russian producers. Russians' standard of living continues to decline steadily.

1.3 To a large extent this is the legacy of the communist past, its methods and attitudes toward leadership and management, the ineptitude of leaders, a disastrous cadre policy, and approaches, principles, programs, and methods that are invariably unsystematic.

1.4 No Russian political association has put forward a program, acknowledged by the whole people, which guarantees the conquest of the crisis and effective reforms. The Russian Socialist Party [RSP] consciously assumes that responsibility. The party's aim is to fight poverty. Everyone must be guaranteed well-being and welfare. We Russian socialists regard being cut off from the people and Russian capitalists as inconceivable. This union is essential if we are to provide peace, well-being, and happiness for every citizen and prosperity for our homeland.

2. State System

2.1 The RSP proclaims:

— a united and indivisible Russia as a federal state;

— the supremacy of the Constitution of Russia and its laws throughout the country's territory;

— the definite retention of the presidency in the country;

— a new Russian passport lacking the "nationality" section;

— new Russian birth certificates, which must include a "nationality" section;

— people are fully in charge of their projects and life's activities, property and business. The state is the people.

2.2 The RSP recognizes only three branches of power in the country: representative, in the shape of parliament, executive, in the shape of the president and government, and judicial authority; the formation of a government by the victorious party in a parliamentary election.

2.3 Only a party that has won a parliamentary election is entitled to form a government. Only the leaders of several such parties are entitled to compete in the battle for the important post of president.

2.4 Recognition of this, given the objective indicated above, sets the RSP an extremely important task, which is to come to power in Russia by constitutional means.

3. Economic Platform

3.1 The Russian economy's monetary revenue depends mainly on the money accumulated by Russian citizens

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and its purchasing power. This is the only way to healthily maintain full and stable Russian economic might. Russian citizens' pay is the core of commodity and financial arrangements in the country's economy.

3.2 The RSP recognizes as equal all types of ownership in the country — private, cooperative, municipal, state, and others.

3.3 The RSP proclaims the priority of Russian over foreign producers and national over transnational corporations and declares the protection of the Russian national market in all covert and overt forms of modern trade war.

3.4 The RSP supports the absolute supremacy of the ruble.

3.5 The RSP proclaims the upkeep of the state at the expense of the citizens, and not at the expense of enterprises, and establishes a new system of taxation:

— a specialist government by legislative means will make it incumbent on the entrepreneur to pay workers, employees, and the creative intelligentsia at a rate that is not less than the country average; create jobs for all able-bodied citizens;

— high tax on individuals' incomes will be declared as a major source of state income; high wages will provide for the possibility of higher taxes;

— bank investments and all other internal investment sources are geared to investment in Russian production; citizens' deposits will come fully into play and will go predominantly into Russian production and only if absolutely necessary into the sphere of foreign economic commodity and monetary arrangements;

— tax reform is declared to be a major priority in the formation of the state budget: 80-90 percent of the budget will come from taxes on individuals — Russian citizens.

3.6 The RSP's foreign economic policy is that Russian national interests take priority over international interests and domestic politics and economics over foreign.

4. Political Platform

4.1 The state's strength is the strength of the main people that make up the population of the state, Russia's strength is the economic, cultural, and spiritual strength of the ethnic Russians. But this does not mean any infringement or oppression of the ethnic identity of other ethnic groups in Russia. It is not despite, but because of the recognition of the priority of ethnic Russians in Russia that the stability of the economic, political, and spiritual values of the country's other peoples is guaranteed.

4.2 The RSP upholds the interests of Russian producers and Russian consumers.

4.3 The RSP rejects only extremely aggressive radical political views, including fascism and communism.

4.4 So the RSP sees the people, national capital, and socialist government — servant of two masters, His Majesty The People and Russian capital — as the all-embracing mainstay of state power.

5. Social Platform

5.1 The RSP inculcates on people conscientiousness, mutual tolerance, and enterprise. At home, at work, and in society it is necessary to raise a talented, comprehensively accomplished, highly educated, and healthy younger generation.

5.2 Child and maternity care is a major RSP social policy priority. A mother of young children (under 7 years old) must be provided with full child benefit that is not less than the average pay for the country.

5.3 Given equal opportunities and equal access for all to education, the RSP proclaims the principle of competition. Every citizen can be educated insofar as his abilities allow.

5.4 The state is obliged to provide highly skilled medical services. This is possible given optimum distribution of health costs among the state, private, and public sectors of the investment market. Health costs will be met as folows: 50 percent by the state, 40 percent by insurance funds, and 10 percent by the population.

5.5 The law on pension provision will be brought into line with world standards.

5.6 The RSP will eliminate the contradiction between labor and capital via a mechanism of state regulation and via a Law on the Minimum Wage, which cannot be below the minimum living standard for a family.

5.7 The party has the very important task of fighting poverty. By enlisting the unemployed for socially useful labor the RSP will significantly reduce tension in the relevant social sector.

5.8 The RSP proclaims the principle of the creation of the Army on a professional basis.

5.9 The RSP proclaims equality of all religions and all faiths while preserving the supremacy of the Christian Orthodox Church as the most influential in the state.

5.10 The RSP proclaims equal rights for all citizens to a clean environment.

On the basis of the 1,000-year-old traditions of the Russian people and all the people constituting the

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population of Russia, the RSP, conscious of the full extent of its historic responsibility, stands for political struggle through the achievement of a parliamentary majority and, ultimately, power. This struggle will result in the building of a truly Russian model of socialism.

The state is responsible for everyone and the people are responsible for everything.

[signed] V.A. Bryntsalov, chairman of the Russian Socialist Party Organizing Committee

Russia: Kabardino-Balkaria Leader Remarks on Election Campaigning

MM3004144896 Moscow DOM I OTECHESTVO in Russian 30 Apr-6 May 96 p I

[Telephone interview with Valeriy Kokov, president of Kabardino-Balkaria and deputy chairman of the Federation Council, by Anna Kozyreva; place and date not given: "Presidents Above Politics?"]

[FBIS Translated Text] [Kozyreva] Valeriy Mikhaylovich, it is said that the presidents of the Russian republics and the heads of kray and oblast administrations should "stay out of the game" during the election campaign, in other words they should not support any of the candidates. So what kind of role do you see for yourself?

[Kokov] If we are talking about the presidents of the republics, the existing Constitution bars them from belonging to any political organization. If we are talking about the forthcoming election, we must do everything we can to ensure that our voters are pointed in the right direction.

[Kozyreva] What do you mean — "pointed in the right direction"?

[Kokov] Some candidates will try to prove that we should turn sharply to the left, while others will contend that we should turn sharply to the right. Some will say that everything should be left as it is. So we must explain which candidate follows which course. I personally believe that it will be painless for Russia if we continue with the present team for the next few years. I think heads of administration and presidents are above politics as long as they hold office. But they do have the right to map out a course for the country to follow and try to prove the advantages of this course.

[Kozyreva] But, as you yourself have said, if you support a particular course, you thereby also support the relevant candidate. Is there not a contradiction here?

[Kokov] Well, first, I can express my opinion as a private individual, but not as a leader. Second, it would be naive to think that, as a leader who can see rather more than others by virtue of my broader access to information, I will stay right "out of the game" and not say what I think regarding a desirable course of development for our republic and the state as a whole. I repeat, I talk about the pluses and minuses of a particular choice, but not about the personalities involved. Can this be interpreted as campaigning in favor of a specific person?

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CIS: CIS Countries Celebrate May Day

LD0105145296 Moscow ITAR-TASS in English 1430 GMT 1 May 96

[FBIS Transcribed Text] ALMATY — The day of unity of peoples of the Republic is observed for the first time in Kazakhstan today. The decision to impart this status to May Day was made President Nursultan Nazarbayev. He issued a legislative act in support of the proposal of the Kazakhstan Peoples' Assembly which was formed three years ago as a consultative body under the President.

This public organisation representing interests of more than 40 republican, regional and inter-republican national and cultural centres and associations functioning in Kazakhstan organised the May Day celebration, Itar-Tass reports. Festivities are conducted here. Professional and amateur performers and sportsmen participate.

President Nursultan Nazarbayev and other leaders of the republic participated in the festivities in Almaty devoted to the Day of Unity of Kazakhstan peoples.

KIEV — Speaker of the Ukrainian parliament Oleksandr Moroz addressing a May Day rally in Kiev said that the main thing for Ukraine is to adopt a new constitution, other than the one proposed by the president, Itar-Tass reported. He said the country's population does not accept the standards set by that constitution.

The rally was attended, according to police, by about 5,000 representatives of the left forces — the Communist and Socialist parties, the movements "For the Soviet Union, "Labour Ukraine", and the All-Ukrainian Workers Union.

Speakers called people for "assuming the political power in the country, eliminating private property and creating a proletarian organisation" which should oppose "president Kuchma's predatory regime."

The opposing opinion was expressed by participants in an alternative rally held by Rukh nationalist movement, the Republican party, Ukrainian nationalists, other parties of national-democratic trend. Rukh Leader Vyacheslav Chernovil told the participants in the rally they should "urge the population for a referendum to pass the new constitution", namely the constitution proposed by the president. Chernovil also said that signatures are being collected to ban the Communist party.

Luckily the participants in the two demonstrations and rallies expressed their views in their midst. The municipal authorities and law enforcement bodies took pains to ensure that their paths do not cross.

TBILISI — Some 300 representatives of the United Communist party of Georgia held a May Day rally in the Georgian capital in the absence of their leader, the 70-year old retired general Panteleimon Giorgadze. The rally was told that he is in Moscow at Gennadiy Zyuganov's invitation and participates in May Day functions of the Communist Party of Russia.

Another rally organised by the Communist party of Georgia (there are three communist parties in Georgia) was held at a distance of several hundred meetings from the place of the rally of the United Communist party. This party holds a more liberal positions as compared with the United Communist party. The authorities and police ensured due law and order in places of the rallies, Itar-Tass reported.

VILNIUS — May Day is observed in Lithuania after a break of five years. The decision to celebrate May Day was passed by the Lithuanian sejm in mid-April. There were no festivities and marches in connection with the event.

May Day is observed mainly by representatives of Lithuania's ruling Democratic Party of Labour and by some trade unions.

It is on the initiative of the faction of the Democratic Party of Labour in the sejm that May Day, despite resistance of the opposition, was put on the list of holidays officially observed in Lithuania, Itar-Tass reports.

Lithuanian right-wing parties and movements ignored May Day holidays, describing them in their press as "nostalgia for the Soviet period". Vilnius self-government, including representatives of the right-wing forces, made an unwelcome "present" to citizens by raising fare in urban transport from 40 to 60 cents.

KISHINEV — Communists and representatives of other left parties in Moldavia held May Day rallies with the permission of the authorities in the Moldavian capital and other cities. Mircea Snegur did not participate in May Day celebration, adviser of the Moldavian President Viktor Josu told Itar-Tass.

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Russia: NATO Expansion Impact on Russian Politics

964E1149A Moscow INTERFAKS - AIF in Russian 22-28 Apr 96 No 16, pp 5, 21

[Article by economist Mikhail Delyagin: "Insufficient Threat From the East for the Western World"]

[FBIS Translated Text] Not that much time has elapsed but the trend of a revival of the spirit and principles of the cold war is gaining momentum increasingly in the world. Living without a strong and dangerous enemy has seemed too inconvenient for many people. For a substantial number of major corporations (and countries even), the absence of an aggressive and fundamental external enemy means an end to the requisite funding. In addition, military influence is used all too often in economic competition as support for one's country's corporations, and without an enemy the justification for this influence disappears and there is, accordingly, less of an opportunity to "defend national interests."

Thus a significant need for a revival of the "enemy image" has taken shape in part of the democratic world. By virtue of the persistence of human thinking, a drastically weakened Russia becomes the most suitable candidate for this office. On the one hand, having become the successor to the Soviet Union, it also inherited some of the fears connected with it. The play on these fears is a splendid weapon for competitive struggle with Russian industry. On the other, it is clear that democratic Russia could under no circumstances once again represent a threat to the rest of the world, and, consequently, practically any actions in respect to it will obviously go unpunished.

This self-evident logic has, nonetheless, an essential flaw. Democratic Russia could never represent a threat to the world. A totalitarian Russia, even weakened and in self-isolation, would by the mere fact of its existence destabilize the entire political atmosphere of Eurasia. Satisfaction of the need for a "search for an enemy" at the expense of Russia, meanwhile, is ineluctably pushing it onto the path of totalitarianism. The havoc-causing influence of destructive actions in respect to Russia may be seen most visibly in the example of the eastward expansion of NATO. Russia has not forgotten that the unification of Germany was permitted by the USSR in exchange for a promise to desist from such expansion.

The leadership of Russia, like the leadership of other countries also, is not inclined to regard NATO as an aggressive bloc directed against Moscow.

But when a decision on its expansion is made, account has to be taken of the reaction of Russian public opinion, which is to a considerable extent susceptible to the effect of the old dogmas and prejudices (it took an extremely negative view, incidentally, of the use of force to achieve peace in Yugoslavia, for example).

Any advancement by NATO eastward would evoke in Russia fear, a sharp increase in dissatisfaction with the policy of the state, and an intensification of the anti-West mood. Under the conditions of the approximate equality of the forces of the reformers and the national-communists on the eve of the elections, this could secure victory for the national-patriotic bloc oriented toward strict opposition to the West and Russia's self-isolation.

Of course, Russia's slide into the property and inflation chaos of communist rule makes a certain sense for the West. Specifically, it would undermine its competitiveness and roll it back forever into the third world. But the defeat of democracy in Russia would destabilize the entire unfolding world order. The losses from this would be beyond comparison with the short-term advantage which the interested parties would gain from the fact of their having finally found the desired adversary in the shape of Russia. It is doubtful that they would be prepared to pay for the difference. It would be expedient, therefore, to leave open the question of a specific timetable of the admittance to NATO of Hungary, the Czech Republic, and Slovenia, stipulating here that, in the event of a victory in Russia of the national-communist forces, the said countries would be admitted to NATO immediately.

The attachment of the relationships of NATO and the states wishing to join it to events in Russia would seem justified with regard to the high degree of interdependence of parts of the modern world, in which decisions adopted in Russia depend on the positions of its neighbors, and vice versa.

Russia: Yeltsin in 'Excellent Form' in Shanghai

MM0105154996 Moscow ROSSIYSKAYA GAZETA in Russian 30 Apr 96 pp 1, 2

["Subjective notes" by Anatoliy Yurkov: "The Plane Still Had Thousands of Kilometers to Fly, But in His Baggage President Yeltsin Brought Strategic Benefits for Russia From China"]

[FBIS Translated Text] In the passenger compartment of an Il-62. The plane flies, the engines drone....

And around 200 people of various kinds must while away five, seven, or even, in our case, just over nine hours between earth and sky at an altitude of 9,000 meters or more. Thinking and writing to the steady hum of the engines is not a problem.

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We are flying from China by direct special flight from Shanghai to Vnukovo-2.

President Yeltsin flew out three hours before us. He flew to Almaty, where he is to have a meeting with Nursultan Nazarbayev. In Almaty Boris Nikolayevich was again toiling on Russia's behalf in defense of its strategic interests. The construction of a gigantic oil pipeline to pump Kazakhstani oil to the port of Novorossiysk across our southern territory is no trifling matter: It means millions and millions of dollars for our state coffers; and these dollars, as we know, do not grow on trees.

In Shanghai Boris Nikolayevich performed his full quota of work and then some, stirring the large hall of the exhibition complex, making businessmen on both sides now applaud warmly, now burst out laughing, now applaud again.

On the previous day the president's press service, which has perhaps had to sweat more than anyone — not counting the bodyguards — in recent days distributed the text of his speech to Chinese and Russian businessmen. "Tomorrow's" speech, as they say.

Press Service chief Igor Ignatyev and his team warned us several times that there was an embargo on this text until Yeltsin's speech was over. But what does an embargo mean for a journalist who has "tomorrow's" text in his hands! Aleksandr Nadzharov, for example, at once "broke" the story over the phone from Shanghai to his agency, RIA NOVOSTI: After all, the editorial office's specialists had to translate it into dozens of world languages and then dispatch it with all due haste to all the agencies of the planet. Vyacheslav Terekhov from INTERFAX evidently did the same, as did other colleagues trying to score themselves points from the sensation whose source, of course, our president almost always is. Only Yuriy Semenov from Mayak, as an experienced news hound, as usual did not relay the text to his editorial offices, preferring, owing to the nature of radio broadcasting, simply to make allusions to it, albeit copious ones, and to supply his own comments.

True, the sensation came from a somewhat different angle, when Boris Nikolayevich was listening to the introductory speech of Shanghai Mayor Xu Kuangdi. Mayor Xu Kuangdi enticed our fat cats with professional skill. Above all with incentives for foreign investors, with which Shanghai is most generous. The city has a surplus of fully skilled manpower, which is therefore relatively cheap. Last year alone Shanghai signed 2,845 contracts setting up joint ventures, from which the city economy received $10.5 billion in foreign investments (that is 10 times more than the whole of Russia received in the same period). Branches of 40 foreign banks, but none of them ours, and the missions of around 120 foreign financial structures are operating in Shanghai's economic zone. In short, the mayor knew about business.

Welcoming Naina Iosifovna [Yeltsina], the president, and well- known Russian and Chinese businessmen, among them figures indubitably of the first magnitude, in accordance with protocol, the mayor named several key spheres of the Shanghai economy in which mutually advantageous steps are possible, even essential.

Donning earphones, Boris Nikolayevich listened to the simultaneous translation of the mayor's speech, turning more and more in his direction. It might have been the red calico tablecloth, or it might have been excitement that caused the noticeable flush in our president's cheeks.

Thanking those present for their attention, the mayor left the platform and went toward the table.

"Er, no," Boris Nikolayevich said at this point, "I really must ask the esteemed mayor of Shanghai to return to the platform. To the microphone: I have one or two little questions for him."

The mayor stood motionless. Then he smiled in the Chinese fashion, his face depicting instant attention. Whereupon Boris Nikolayevich began the prelude to his sensation.

"Esteemed Mr. Mayor," the slow, hypnotic voice of the leader of Russia resounded under the magnificent ceiling of the huge hall with its national ornamental design, "could you say what percentage of investments in Shanghai are your own, and what percentage are foreign?"

"Foreign investments constitute 28 percent of overall investment," the mayor answered laconically, selecting his words carefully.

[Yeltsin] "And how much does land cost the foreign investor, if he plans to build, for example, a hotel?"

[Mayor] "The land around the hotel in which you and your team are currently staying, for example, costs $8,808 per square meter."

"That is rather expensive," our president, who knows a thing or two about civil engineering and investments, commented.

"Yes, rather expensive," echoed the mayor, who, it would appear, is also no mug and knows how many beans make five. "Therefore what we do is this: We move people away from areas where land is so expensive and where every meter is overpopulated and the environment is overstretched; for this purpose we build homes a little further from the center, nearer to

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people's workplaces. And we sell the land here for the construction of offices, hotels, and business, industrial, and trade centers. With the proceeds from this we build new homes for the people of Shanghai."

"Do the hotel built at such a high cost and the redeemed land become the investor's property? Or does he lease it?" Yeltsin said, trying to comprehend one of the major springboards of Shanghai's rapid development. Indeed, that of China as a whole.

"Yes, if he redeems it." Both the mayor and the president now seemed completely oblivious to the audience. But this was only apparently the case. In fact, an extremely powerful exercise aimed at the edification of those present was under way: Respecting the mayor of Shanghai as a businesslike person and a talented organizer of the life of the city and its 13 million (!) people, Boris Nikolayevich wanted to exploit, at least a little, this man's talent in order to kindle them with some of his inspiration, to stir up those sitting in the hall in the best sense of the word.

Those sitting in the hall apparently understood, and responded to the dialogue between the two men on the stage either with unforced applause, or with unforced laughter, which showed not the slightest trace of the servility of fawning retainers. They were beginning to understand that Yeltsin was drawing them into the lesson not as if they were truant schoolboys from the bottom class, but in the way that a professor conducting a debate with an opponent involves in it all the intelligent participants in a seminar: not necessarily just the postgraduates, but definitely the future professors or even academicians. Let us learn together, he seemed to be saying, how we must profitably alter our lives, with profits for investors and owners and with advantage for city dwellers and citizens. We have not come here to drink soft drinks or for tea, but to set up in business together. We have to know with whom we are to deal, and how; we can drink at home.

"That is to say, how will he redeem it?!" — Boris Nikolayevich is surprised at the mayor's words. "He has already redeemed it, as you have just said, at $8,808 per meter.

"Under our laws," the mayor enunciates clearly as if from a written script — or to be more correct, the translator enunciates; the mayor speaks in Chinese, in a sing-song fashion, like some kind of ornamental sound pattern — "if you build a hotel you can make use of it as your property for 25 years, and then you can lease it from the state and continue to use it. But you will have to pay the rent in full. Or sell it. If you build a factory, you will face the same choice after 50 years."

The audience had now become involved. Boris Nikolayevich had gotten what he wanted, and, I think, at that moment only he recalled that sitting in the hall were not only Nikolay Bekh, general director of the Kama Truck Plant, and Minister Yuriy Shafranik, but also Sverdlovsk Governor Eduard Rossel, Sakha (Yakutia) President Mikhail Nikolayev, and other sovereign leaders from the Federation Council.

[Yeltsin] "Who determines the scale of taxes: Beijing, or Shanghai itself?"

The audience had not yet quieted down after its recent excitement and evidently did not catch the mayor's short answer properly. The translator repeated it.

"Beijing."

Boris Nikolayevich did not even raise an eyebrow in the direction of the audience, where comments were murmured from end to end which might be translated as follows: "So that is what he is driving at...?"

[Yeltsin] "Was the original decision on your reforms taken by Beijing or Shanghai itself?"

[Mayor] "As far as the social reorganization is concerned, we ourselves proposed our own program to the center. Beijing supported us and allocated the appropriate subsidies. There was a special decision on free economic zones."

[Yeltsin] "Does PRC President Jiang Zemin — as a native of Shanghai, your fellow countryman — lobby for your interests?"

[Mayor] "Yes, he does. He looks after us, and we thank him." And he reported to cheerful laughter from the audience: "We thank him. Our fellow countryman looks after us."

Boris Nikolayevich did not allow his own fellow countrymen to succumb to merriment; he had another line of argument ahead:

"And what is Shanghai's share, in percentage terms, of the nationwide tax levy?"

[Mayor] "A year ago it was 16 percent. We do not yet have the results for 1995."

Even without this meeting Anatoliy Dyakov, president of the Integrated Energy System Russian Joint-Stock Company, and Yuriy Koptev, general director of the Russian Space Agency, would probably have found a way toward strategic cooperation with China: The former would like to win the tender to participate in the "Three Gorges" power engineering project, which promises, if Lady Luck smiles on him, an order worth $700-800 million; the latter wants more — a treaty for

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strategic cooperation in space, not only with America and Europe, but also with China. A special factor is involved here: The Chinese want to be equal players in space by the year 2000; to launch their own spaceship or space station into orbit on their own rocket, from their own space center, and with a Chinese astronaut on board. Yuriy Koptev is ready for this version of cooperation, although he suggests that it would be more profitable for Russia — and cheaper for China — to lease a Russian space system for these purposes. But he who pays the piper calls the tune. This option is preferable for Koptev, as head of the Russian Space Agency. The Chinese leadership, however, wants to be independent on land and on water and in the air and space. China is sufficiently mature both intellectually and economically to do this. And it wants to exploit the nation's intellectual capital to the full.

China will most probably manage to achieve this, just as it succeeded in an amazingly short time in turning Shanghai, which had given its name as a term to describe the most rundown slums even in the Russian backwoods, into the new capital of Southeast Asia, growing toward the heavens among yesterday's shanties, filth, and stench.

There are no untalented nations; there are only worthless leaders who do not understand this and therefore themselves become a burden and a curse on their own people.

...Later Yeltsin made his reply speech. From the very first phrase it became clear that those of us who had passed on the text of the speech he had prepared in advance to our editorial offices in Moscow had to run to the telephones and warn them not to print it: There would be a new version. Evidently fired up by his very interesting dialogue with the Shanghai mayor, Boris Nikolayevich began his speech very energetically and ardently. And those who have known him for a long time and observed him in various situations understood that our president is currently in the excellent form that he knew in his best days.

First, he finally formulated the idea that had evidently been tormenting him throughout the preceding days, from the moment that his "friend" Bill Clinton arranged a reception in his Moscow embassy for the Russian leader's political opponents. Citing the provisions on the Joint Declaration signed in Beijing the previous day, which defines the neighboring countries' bilateral cooperation in the long term, Yeltsin delivered an unambiguous warning to the third "side": Russia and China will not tolerate any international diktat, and the peoples of their countries need no advice from "crowned" do-gooders as to what leaders they should elect.

Boris Nikolayevich delivered these blunt remarks already having "in his pocket" a positive answer from the Chinese leaders to the "nuclear eight's" invitations to sign up to the Nuclear Test Ban Treaty. Something which the "octet" had not managed to achieve itself, incidentally.

Such energetic behavior on the Russian president's part seemed to prompt the businessmen in the hall into making substantial contacts. Incidentally, the sphere of mutual interests into which our president drew both them and others is set out in the text of the speech distributed earlier, which we publish today in abridged form.

...In the evening, after the signing of the sensational Agreement between Russia, Kazakhstan, China, Kyrgyzstan, and Tajikistan on strengthening confidence in the military sphere in the border region and the banquet that followed, Boris Nikolayevich did not go out for the walkabout through nighttime Shanghai. Of course, although nothing of the sort happened, the walkabout had been listed as a separate event in the protocol. So tongues began to wag: What should this mean?

The strange thing, in my opinion, was not this, but the fact that someone planned this walkabout, entered it into the protocol, and advised Boris Nikolayevich to agree.

On the previous evening the itinerary for the president's movements on this walkabout, evidently compiled by the Chinese security service, fell into my hands. And I reflected on the poignancy of the situation.

The point is that the area of the embankment along which the Russian president was to stroll was absolutely terrific. On the other side of the river, directly opposite, rose the bulk of the television tower, which does not stand in gloomy isolation like our Ostankino tower. The Shanghai TV tower, although the tallest in Southeast Asia, is not as high as Ostankino's. On the other hand it is surrounded by a palisade of skyscrapers such as Moscow has never even dreamed of. Each one of these buildings shines at night with a riot of advertisements. And all this riot of color is reflected upside down in the water of the deep river.

You could stand for hours admiring the panorama of nighttime Shanghai precisely from that section of the embankment along which Yeltsin and his spouse were due to walk.

Perhaps this is why the Shanghai authorities chose this section for the monument to the Great Helmsman.

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Look at the plan of Boris Nikolayevich's movements, which we publish here: The dotted line indicates the route, the hunched silhouette the Mao Monument. The car stops right at the pedestal of the monument and the Russian president must ascend the steep stairs to the monument, seeming, by the character of his upward movement from stair to stair, to give power to the monument at every step....

Six weeks ago I stayed the night in a Shanghai hotel standing two steps from the embankment and 10 steps from the area where Boris Nikolayevich's walkabout was planned.

On that occasion we tried when it was already nearly midnight to take a walk there, but we could not get through: The embankment was packed with people.

Before 0600 in the morning I went out to take a breath of fresh air: A veritable cacophony of music was already playing on the embankment and groups of 10-20 Chinese were doing their morning exercises. Each group had its own music — a cassette recorder, a radio, a tape recorder or a natural musical instrument, but each group was separate: Some executed graceful figures, some marched, some simply danced, in pairs, taking one another by the hand, or alone.

In smoky, airless Shanghai this was virtually the only place where you could take a gulp of fresh air.

I pictured this scrimmage to myself and tried to imagine how Yeltsin and his retinue would have managed to make their way through this tumult. Even if all the bodyguards on both sides had been dressed up as dancers and marchers....

I will not undertake to judge which of my versions is correct, but I do not think that it was Mao Zedong that the president feared. Though our own shades from the past still plague some of his comrades in arms, who do not understand that it is not the past that scares them but the future, which they have proved so bad at forecasting.

...By the way, during this flight many delegation members did not spend their time idly. For example, Mikhail Nikolayev, president of the Republic of Sakha (Yakutia), almost reached agreement with Yuriy Koptev on the launch of a "Yakutiya" relay satellite, which would enable every Yakutian family to receive all television programs reliably. True, they did not agree on the price, but I believe that they will reach a deal shortly. At least, that was my impression: Both sides were strongly interested.

Probably it was not just Nikolay and Koptev who were settling their affairs "en route": For Russia too, the businessman's hour has come.

Russia: Commentary Lauds Confidence-Building Agreement

OW0205004996 Moscow Voice of Russia World Service in Mandarin 1300 GMT 30 Apr 96

[Krichevskiy commentary; from the "Good Evening, China" program]

[FBIS Translated Text] Dear listener-friends: The border issue came up several times during Russian President Yeltsin's goodwill visit to China last week. On this, please listen to a commentary by our station observer Krichevskiy.

The most important thing that came out of President Yelstin's visit to China is the five-nation agreement on confidence building along border areas, signed in Shanghai by the leaders of Russia, China, Kazakhstan, Kyrgyzstan, and Tajikisitan. That this comprehensive military and political agreement will be distributed as a UN document is entirely appropriate. It is the first time in world history that five neighboring countries have agreed to not only strengthen their mutual trust but also undertake specific military obligations. All parties have pledged not to engage in military exercises aimed against other parties, to prevent dangerous military activities, and to increase contacts and ties between armed forces and border guards. We may as well say that the significance of this document has far surpassed the regional scope. In addition, the signatories of the Shanghai agreement will hold negotiations on reducing troops along border areas. Russia believes that in the near future, the negotiations will yield an important agreement on guaranteeing peace and stability in border areas.

As for the boundary issue between Russia and China, the two sides clearly indicated in their talks a peaceful intention to jointly build the common boundary because this will be conducive to the development of Russian-Chinese strategic partnership. Especially noteworthy is that the leaders of the two countries reiterated that they will abide by the 1991 and 1994 agreements on the eastern and western sections of the boundary. As is known, work of delimiting the eastern section of the boundary has already been started. Yeltsin and Jiang Zemin agreed that the work must be completed in 1997 as scheduled, and that delimitation of the western section should be started as soon as possible.

Meanwhile, another agreement signed during the Beijing talks also merits attention. To protect the interests of border residents of the two sides, an agreement on joint use of land delimited to the other side during delimitation of the boundary will be drawn up and signed. As is known, change in the national jurisdiction over

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a section of land has drawn resentment from local residents. To avoid such resentment, the two sides will (?properly handle) specific disputes in the process of delimination. Some local leaders of the Russian far east region aired different views on delineation of some sections of Russian land to China. They maintained that the delineation was illegitimate. The Duma of the Russian Maritime Province even appealed to the Constitutional Court. However, Federal Russia's Supreme Court on 27 April rejected the appeal. This is an indication that the Russian Government and president himself will steadfastly abide by the signed agreement. The leaders of the two countries believe that a peaceful, harmonious atmosphere should prevail in Russian-Chinese boundary. As for pending problems, they should be solved in a sober way.

Russia: 'Summary' of Remarks Exchanged Between Usui, Grachev

OW0205010196 Tokyo TOKYO SHIMBUN in Japanese 30 Apr 96 Morning Edition p 2

["Summary of major" remarks exchanged between Japan's Defense Agency Director General Hideo Usui and Russia's National Defense Minister Pavel Grachev at the Japan-Russia defense chief summit talks held in Moscow on 29 April]

[FBIS Translated Text] Moscow, KYODO — [Usui] The Japan-Russia defense exchanges at the ministerial level should be continued, and I would like to extend my invitation to Defense Minister Grachev to pay a visit to Japan.

[Gravchev] I gladly accept your invitation. Russia will never regard any countries with hostility. Neither will Russia ever form a military bloc. Nuclear arms are a deterrent measure. The Strategic Arms Reduction Treaty II (START II) will probably be ratified in the near future.

[Usui] We hope that Russia will take appropriate measures to deal with the issue on disposal of radioactive wastes in oceans.

[Grachev] We had reduced the troops in the Russian Far East by 150,000 by 1995 and have reduced the size of the Pacific Fleet by one-half since 1985. The number of troops stationed on the South Kurile Islands (northern territories) has been reduced to 3,500.

[Usui] We hope that the rapid and complete withdrawal of Russian troops from the northern territories will be carried out as President Yeltsin has stated. We also hope that the Chechen dispute will be settled at an early time on the basis of President Yeltsin's peace proposal.

[Grachev] The Chechen dispute concerns Russia's domestic affairs. Following the death of President Dudayev (of the independent faction), the situation has gradually stabilized. I think peace talks will start soon.

[Usui] It is of great significance to the stability in the Asian-Pacific region for our two countries to settle the territorial issue and improve the bilateral relations.

[Grachev] We have now entered the first stage in the defense exchanges between our two countries. We hope that the Maritime Self-Defense Force will be able to attend the Russian Navy's 300th anniversary ceremony scheduled for this July.

[Usui] The request will be taken into serious consideration. In the Asian-Pacific region, Japan's most serious concerns lie in the DPRK (North Korea). The armistice agreement must not be violated, and it will be necessary for all the countries concerned to cooperate in preventing any unexpected incidents.

[Grachev] We are paying attention to the quadrilateral talks suggested by both the United States and the ROK. We support any proposal for a peaceful settlement. However, it seems more reasonable to hold multilateral consultations that Russia has suggested so that all the countries concerned could join in the multilateral consultations.

[Usui] China's national defense policy and military strength tend to be rather ambiguous. Therefore, we request that efforts be made to make them transparent.

[Grachev] The relationship established between Russia and China is not in opposition to any third country.

Russia: Prime Minister Chernomyrdin Leaves for Sweden

LD0205070296 Moscow ITAR-TASS World Service in Russian 0630 GMT 2 May 96

[By ITAR-TASS correspondent Artem Protasenko]

[FBIS Translated Text] Moscow, 2 May — Viktor Chernomyrdin, chairman of the Russian government, departed on a visit to Sweden this morning. The prime minister told journalists at Vnukovo-2 airport, before he took off, that he expected from his trip to that country that he would establish "good contacts and a fresh boost to interstate relations." After he has been to Sweden, the head of the Russian government will visit Finland on 4-5 May.

Viktor Chernomyrdin noted that Russia and the Scandinavian states have retained good opportunities for cooperation in the technical, scientific, and economic fields. He said that both Russia and foreign partners had far

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more opportunities for the development of contacts today, and "we would like to develop our ties more actively."

The prime minister also said he attributes great importance to the meeting of leaders of the Baltic Sea states, which is to take place in Sweden, as well as to the talks with his Swedish counterpart and with that country's business circles.

Russia: Chernomyrdin Arrives in Sweden, Meets With Riksdag Speaker

LD0205104896 Moscow ITAR-TASS World Service in Russian 1012 GMT 2 May 96

[By ITAR-TASS special correspondents Nikolay Vukolov and Gennadiy Yezhov]

[FBIS Translated Text] Stockholm, 2 May (ITAR-TASS) — A conversation between Viktor Chernomyrdin, chairman of the Russian government, and Birgitta Dahl, speaker of the Swedish Riksdag, focussed on issues of further developing relations between Russia and Sweden.

The high-ranking Russian guest, who arrived in Sweden today on an official visit, familiarized himself with the parliament building, stopped by the bust of Olof Palme, the prominent Swedish statesman and politician, and acquainted himself with the work of Sweden's supreme legislative body, which is one of the oldest in Europe.

Russia: Azeri Lawman Leaves Moscow Without Arrested Ex-President

LD0105143696 Moscow ITAR-TASS in English 1415 GMT 1 May 96

[By Yuri Balyakin]

[FBIS Transcribed Text] MOSCOW May 1 (Itar-Tass) — Azerbaijani Prosecutor General Eldar Hasanov left Moscow for Baku on Wednesday without arrested ex-president Ayaz Mutalibov whose extradition is demanded by Baku.

A spokesman of the Azerbaijani Embassy in Moscow confirmed to Tass that Hasanov was on a working visit in Moscow, but said that Mutalibov was not his aim.

The trip aimed at "promoting joint work with Russian law enforcement agencies, in particular, between the prosecutor's offices of Azerbaijan and the Russian Federation", the spokesman said.

Mutalibov, who was ousted in 1992, has been living in Moscow of late. He was detained on April 11 at the request of Azerbaijani authorities who accuse him of involvement in attempted coups in October 1994 and March 1995.

The Russian prosecutor's office requested additional evidence from Baku.

At present Mutalibov is heavily guarded in a Moscow hospital after a heart attack.

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Political Issues

Russia: Yeltsin, Zyuganov Lead May Day Celebrations in Moscow

LD0105121896 Moscow ITAR-TASS in English 1203 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW May 1 (Itar-Tass) — May Day is celebrated in Moscow. The Moscow government decided that it should be a holiday "of spring, of flowers, of the good and of open hearts," as Moscow Mayor Yuriy Luzhkov said.

From the morning orchestras were playing at the entrance to All-Russia Exhibition Centre. Air balloons with the emblem of the hero-city were sent into the skies. Moscow parks were opened for the summer season.

Admission to museums, cinema houses and exhibition halls is free and no transport fares are charged in Moscow today.

May Day rallies were held in Moscow by the socio-political organisations — the Moscow Trade Union Federation (attendance 15 thousand, according to police), the Communist Party of the Russian Federation, Labour Moscow movement, the Union of Officers and others.

Organisers of rallies were warned that it is necessary to observe the Russian constitution and that, specifically, calls for a forcible change of the constitutional system and the stirring up of ethnic and social hatred are impermissible.

President Boris Yeltsin forgot his umbrella and got wet through in heavy rain when he joined a May Day rally organised by trade unions in downtown Moscow.

However, that did not stop him from proceeding to the sightseeing place on Vorobyevyy hills in Moscow, where he even danced with a girl from a performing dance group and bought two matreshka dolls.

Yeltsin, who is often portrayed on the traditional Russian matryoshka dolls, was asking for a doll with the portrait of Moscow mayor Yuriy Luzhkov, but had to buy two ordinary dolls as none were available.

The President spent 96,000 roubles (20 USD) for the dolls.

"It is important that this holiday becomes the holiday of peace, labour, honest dialogue of authorities and the people", Yeltsin told the rally in downtown Moscow.

Trade union leaders called on him to pay more attention to timely wage payments and the preservation of jobs.

The President promised that the "demands of trade unions will be fulfilled if we unite our efforts".

He then joined the demonstration raising big problems for his bodyguards to keep the crowd away.

Yeltsin talked to those around him and praised mayor Luzhkov for beautifying the capital.

Speaking to Tass, the President reiterated his conviction that he would win the second term of office at June 16 elections. He also confirmed that despite a "hectic schedule of travel and work" he would visit Chechnya.

The President also attended today a service in the church of St. George on Poklonnaya Hill which was built in memory of soldiers killed in combat in the Second World War.

The opposition also held a May Day manifestation. According to police, some ten thousand people marched through downtown Moscow under red flags. Leader of the Communist party of Russia, Presidential candidate from the people's-patriotic bloc Gennadiy Zyuganov, Speaker of the State Duma Gennadiy Seleznev and heads of other communist and workers' parties and movements were at the head of the march. A rally was held.

May Day demonstrations and rallies were held in many Russian regions.

Russia: Yeltsin Discusses Wage Arrears, Trade Unions at May Day Rally

LD0105125396 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 1 May 96

[Address by Russian President Boris Yeltsin at a May Day rally in Moscow on 1 May; from the "Novosti" newscast — recorded]

[FBIS Translated Text] It is especially important for all of us that the 1 May holiday in Russia should always be a day of peace, a day of honest and open dialogue with the authorities elected by the people and the Russian trade unions, the country's largest public body. In the very near future an end will be put to the shameful practice of delaying the payment of pensions and wages in the public sector. The government assigned this money with great difficulty, but each day I receive signals that delays continue.

I appeal to the trade unions: Help us to establish order. It is impossible to check every plant and enterprise director from the center. We are ready to inform the trade unions about the dates when the cash is sent off, but whether it is received at the sites and when it is received, and, most important, what it is spent on, this must be checked by the trade unions. [video shows Yeltsin going on to meet people at Leninskiye Gory,

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dancing with one of the dancers, and buying a matreshka doll]

Russia: Yeltin Hopes For Moscow Mayor Luzhkov's Reelection

LD0105135696 Moscow INTERFAX in English 1319 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — Despite the drizzle growing heavy, Russian President Boris Yeltsin talked to the participants of a union rally in the center of Moscow Wednesday.

A group of demonstrators who introduced themselves as builders asked Yeltsin if he had anything to wish to the residents of Moscow.

"I want Moscow to be a good example for the whole of Russia," Yeltsin said. "Look how it is growing more beautiful.

"All of these changes have taken place over the last two years," he said. "I wish Yuriy Luzhkov remained mayor of Moscow.

"While Boris Yeltsin re-elected as president of Russia," added Luzhkov to the applauses of those present.

Asked how many votes he planned to win in June, Yeltsin said, "No, I am not the former State Planning Committee. I firmly believe I will win, but what the margin will be..."

The preparation for the elections is in progress and going normally, he said.

Yeltsin wished the Muscovites success, especially in the construction of housing. "I would like to see Moscow build 4 million square meters of floorspace this year, that is 1 million square meters more than last year," he said.

"Luzhkov pledged to make sure it is done," Yeltsin said. "I am sure he will keep his word."

Russia: Zyuganov, Rutskoy Lead Demonstrators in May Day Rally

LD0105123696 Moscow 2x2 Television in Russian 1100 GMT 1 May 96

[FBIS Translated Text] Several thousand people gathered at about 1000 on Kaluzhskaya Square near the statue of Lenin beneath red flags and communist slogans. Having formed a column, the demonstrators moved along Bolshaya Yakimanka [Street], across the Bolshoy Kamennyy Bridge toward Teatralnaya Square. Communist Party presidential candidate Gennadiy Zyuganov and former vice president Aleksandr Rutskoy walked at the front of the column.

The intermittent rain did not reduce the number of people who had decided to mark 1 May beneath red flags. The leading character, Gennadiy Zyuganov, had difficulty getting to the rostrum set up on Teatralnaya Square. According to the organizers, over 200,000 people took part in the rally held here. According to the militia, it was no more than 20,000. The speakers called for people to vote for Gennadiy Zyuganov, candidate from the Communist Party of Russia, in the upcoming presidential elections in June.

[begin recording] [Rutskoy] We all need one thing — victory. We will not stand in the wings.

[Correspondent Konstantin Mylnikov] Gennadiy Zyuganov thanked those gathered for their support and reiterated that the influence of the communists was growing.

[Zyuganov] Our entire capital city has sent representatives of work forces, of educational establishments, of our design institutes. We marched proudly with heads held high because we and the working people are the owners of the country.

[Mylnikov] The rally progressed without any excesses. No one needs them before the election.

[Correspondent Aleksandr Pavlov] Today's May Day demonstration differed from all the previous ones chiefly because the speakers called for the existing system to be replaced through democratic means. All those gathered here intend to vote in June for the single communist candidate. [end recording]

Russia: Zyuganov Hails May Rally Security, Rules Out Force in Elections

LD0105184096 Moscow NTV in Russian 1500 GMT 1 May 96

[From the "Segodnya" news program by announcer Tatyana Mitkova]

[FBIS Translated Excerpt] Our correspondents who witnessed today's events in Moscow noted the good organization of the left-wing opposition events. There were even special places for journalists, despite the fact that the communists have not favored the press, especially the electronic press, of late.

Yevgeniy Revenko and Sergey Gaponov report from the scene of the events.

[begin recording] [Correspondent] The first rally in honor of the day of workers's solidarity was planned by the leaders of Working Russia for 0900 [Moscow time] on Gagarin Square. [passage omitted]

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Those invited by the Communist Party of the Russian Federation began to assemble on October Square from 0930.

Militia detachments and Derzhinskiy division reserve subunits watched citizens assemble.

It has become known that over 1,000 militia men supervised the entire movement of the popular-patriotic forces' May Day rally, not counting staunch units and a helicopter hovering overhead.

According to various estimates, 15,000-20,000 people took part in the procession from October to Tver Squares [Oktyabrskaya, Tverskaya Ploshchad].

The column set off practically immediately after the main players had arrived: Gennadiy Zyuganov, Gennadiy Seleznev, Aleksandr Rutskoy, Mikhail Lapshin, and Valentin Kuptsov. [passage omitted]

Those who organized the opposition May Day festival were very pleased with the successful event.

[Gennadiy Zyuganov to NTV microphone] All measures were taken along security service lines. I discussed this theme with the prime minister yesterday and with Viktor Ivanovich Ilyukhin, head of the state committee defense committee. I spoke with everybody who is responsible for security. And for our part today, we have a very good voluntary people's militia patrol, which operated irreproachably.

[Correspondent] Having praised Viktor Ilyukhin for good organization, Gennadiy Zyuganov did not agree with him that if Boris Yeltsin were defeated in the elections, Yeltsin might have recourse to force.

[Zyuganov] There is no possibility of force, neither in the event of winning or losing. That version should be closed, because nobody will put the country right, will change the country for the better if it is deprived of the right to hold elections.

[Correspondent] Zyuganov's last words were confirmed by the actions of the authorities, which did not place any obstacles in the way of the procession and fully monitored the situation at the main festival event — the rally on Theatre Square [Teatralnaya Ploshchad]. [passage omitted] [end recording]

Russia: Over 20,000 Attend Communist Rally in Moscow

LD0105140896 Moscow INTERFAX in English 1209 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — Over 20,000 members of Russian communist and popular-patriotic organizations participated in the May 1 march from Oktyabrskaya Square to Teatralnaya Square today. The march ended with a rally on Teatralnaya Square near the Karl Marx monument.

Leader of the Russian Communist Party, presidential candidate Gennadiy Zyuganov told those at the rally his "election program is clear: the communists do not want war and stand for peace, honest labor, honor and dignity of this country."

He said "all promises of the Russian Communist Party given before the parliament elections were fulfilled by the communist deputies, and it will be the same after presidential elections."

Five-seven representatives of the popular-patriotic forces will be present at every polling station on June 16 (the presidential elections day) to control the voting, said Zyuganov.

He promised support to Russian businessmen if elected the president of Russia. Zyuganov said their concern over the economic situation is justified because productions are being curtailed, and there is no economic or financial stabilization whatsoever. "We will lean for support of those who love Russia," said the communist leader.

Duma Speaker Gennadiy Seleznev told the rally "communists and patriots should believe in their candidate Gennadiy Zyuganov, and call for his support in every home, every family in the 1.5 months which remain before the elections."

Leader of the Labor Russia movement Viktor Anpilov said "regardless the elections results, the communists will stand up till the last for people's power and socialists ideals."

The rally was also addressed by head of the Derzhava (Great Power) patriotic movement Aleksandr Rutskoy and head of the Russian Agrarian Party Mikhail Lapshin.

Russia: Union Leader Shmakov Addresses May Day Rally

LD0105140796 Moscow INTERFAX in English 1209 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — Any government, no matter what flag it hoists, has to listen to trade unions, Russian union leader Mikhail Shmakov told a rally in front of the Moscow Mayor's Office Wednesday.

"It is the jobs and wages that are the unions' main demands," Shmakov said. "We will seek the fulfillment of our demands until the payment of wages becomes a holy duty of the government."

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Union rallies raged through over 60 regional centers of Russia, Shmakov said. Over 15,000 people attended a rally in Vladivostok, while rallies in Yakutsk and Kemerovo gathered more than 20,000 people each, he claimed.

The minimum wage in Russia must be equal to the subsistence level, a Moscow unionist told the rally. "The government must take measures to reduce the crime rate so that people could feel safer on the street," he demanded.

Despite drizzle, the whole square in front of the Moscow Mayor's Office is heavily crowded, an Interfax correspondent reported from the site. At least 10,000 to 15,000 people had marched down Tverskaya street to the square of the same name.

Russia: Around 3.5 Million Russians Participate in May Day Rallies

LD0105165496 Moscow INTERFAX in English 1616 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — Some 3.5 million residents of Russia participated in May 1 rallies, sources at the press service of the Federation of Russian Independent Trade Unions told Interfax.

The largest rallies and marches were reported from Izhevsk and Krasnodar (some 50,000 participants), Moscow (over 30,000), Yakutsk, Ulyanovsk, Novosibirsk and Krasnoyarsk (some 20.000), Vladivostok, Cheboksariy and Ivanovo (about 15,000).

The rallies demanded revival of the domestic production, full payment of the salary debt, employment and the end of the Chechen war, said the sources.

The rallies held in Vladivostok, Irkutsk, Vladimir, Bryansk, Krasnodar, Yaroslavl and some other towns had both economic demands and demands of no-confidence in the Russian authorities. They also called for support to Gennadiy Zyuganov, the candidate of popular-patriotic forces in the presidential elections, reports the press service.

Russia: Zhirinovskiy To End Chechen War 1 Jul if Elected President

LD0105170396 Moscow INTERFAX in English 1616 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — The war in Chechnya will stop by July 1 if Russians vote for Liberal-Democratic Party leader Vladimir Zhirinovskiy in the presidential elections on June 16, Zhirinovskiy told a rally of his supporters Wednesday on Moscow's Teatralnaya square. The rally was held near the Karl Marx monument.

The plan of Zhirinovskiy provides for "evacuation of all civilians from Chechnya and an ultimatum to gunmen — lay down arms and stop the resistance. Otherwise, the gunmen will be mercilessly destroyed."

Another painful problem of Russian society, crime, will be solved by Zhirinovskiy with extreme punishment. He said the detained will be shot to death on location for any hooliganism.

The presidential candidate told those at the rally all of his rivals give the same promises, and only the Liberal-Democratic Party has a clear plan to overcome the crisis.

The rally was attended by some 1,000 supporters of the Liberal-Democratic Party, reports an Interfax correspondent.

Before their rally, the area housed a May 1 rally of communists and popular-patriotic forces, which involved 20,000 people.

Russia: Proceedings of Coal Miners Trade Union Congress Reported

MM0205103196 Moscow TRUD in Russian 30 Apr 96 p 2

[Report by Fedor Yemchenko: "Should We Cut the Knot or Tie Up the Loose Ends? Russia's Miners Plan To Increase Coal Extraction by 10 Million Tonnes in the Current Year"]

[FBIS Translated Text] This figure, which appeared in the report by Vitaliy Budko, Russian Coal Industry Workers Trade Union chairman, did not draw the applause of congress delegates. Although this appears to be the first occasion in the past five years when a rise — albeit a small one — rather than a fall in production has been mentioned.

Everything became clearer in the subsequent discussion at the congress. What really is the significance of these 10 million tonnes when there were no takers for 19 million tonnes of "black gold" from the fuel extracted last year? The miners have so far been unsuccessful in obtaining payment of around 5 trillion rubles [R] from consumers for coal that has been delivered. Against this background the statement by Presidential Aide Aleksandr Livshits regarding the significant improvement in the payment of subsidies to the mining industry in March and the receipt by mines of the R1 trillion owed to them from the state budget by the end of April, somewhat pales into insignificance. In this way, the presidential aide emphasized, the state's debt has more or less

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been discharged. And we will never again return to the past.

But everybody has his own viewpoint here. The government considers that the miners' claims against it are unfounded. The miners think differently. You cannot dispute their logic, either. Petr Kiryasov gave the following example. Mines here are supplying coal to the Navy, Border Guard Troops, power industry, and other consumers who "feed off" the state budget. But they unable to pay for the coal owing to a lack of funds. So who is the debtor here if not the government itself? The mines for their part cannot pay the railroads.

So this is the Gordian knot of which A. Livshits said: "Either it should be cut or it should be unraveled. If the government does not succeed in doing this, the president will take measures through appropriate decisions and edicts."

Judging by the fact that this knot has already taken a long time to tie and is getting ever tighter, it will have to be simply cut through. We will sort out the consequences later.

Unfortunately, all these experiments are hitting those working at the coal face very hard, and when they come to the surface they find the cash office windows closed. There is no money for wages. Miners from "Sakhalinugol" Joint-Stock Company's "Dolinskaya" mine have not, for example, been paid in full for November and December of last year. Trade Union Committee Chairman Leontiy Berezovskiy painted me a depressing picture of life in the mining settlement. Instead of going to school, children sometimes go from apartment to apartment begging for something to eat. A "petticoat rebellion" is brewing owing to hunger. The workers are demanding that the joint-stock company declares itself bankrupt, but the "Sakhalinugol" administration is maintaining a proud silence. Owing to complex geological conditions and obsolete technology, the fuel's cost is high here. It is more economic for the oblast administration to buy coal in China. An abnormal situation has developed: There are no takers for the extracted coal and the mines are not closing. For this too, as it turns out, is also an expensive business.

The wide-ranging program that was mapped out for the sector's restructuring is now being radically cut back. The coal miners' trade union (and the congress confirmed the legitimacy of this standpoint) intends to oppose by all means at its disposal the closure of coal enterprises without an approved technical and economic basis for this and a guaranteed source of funding for this operation. According to a statement by congress delegates, existing funding will allow the closure of no more than three mines this year without infringing upon the social rights of the people working there. However, in spite of this, the "Rosugol" Company is planning to halt work at 26 enterprises.

The miners understand very well that it is essential to close many mines where the coal reserves are almost exhausted or it is impossible to use high-output equipment. But it is necessary to approach this in a sensible manner taking all the circumstances into consideration and not to shoot straight from the hip. As happened, for example, in the case of "Khalmer-Yu" mine in Vorkuta. According to the preliminary calculations of specialists, it was necessary to set aside R46.9 billion (at 1993 rates) to close this enterprise and resettle the people from the settlement. But in actual fact more than R140 billion was spent. During the implementation of the government program to close "Khalmer-Yu," the management was found to be incapable of performing this task successfully. Delays in funding led to the work's schedule being disrupted. Jobless people hung around with nothing to do, knocking on all the doors in the administrative buildings. Some of them demanded that the enterprise be reopened and announced a hunger strike. OMON [special purpose police detachment] officers, who were called in by the mine's director, helped to evict the last of the settlement's residents last October.

It is hard to say what lessons the "Rosugol" and "Vorkutaugol" Joint-Stock Company managers have learned from this, but the trade union has, in my opinion, drawn the correct conclusion for itself. This process should not be put fully in the management's hands. Because miners' families suffer as a result.

Assessing the socioeconomic situation in the sector, delegates at the Coal Industry Workers Trade Union congress came to the conclusion that many negative factors in the economy are the result of hasty and ill-considered political decisions. A resolution adopted on this subject emphasized the fact that as the trade union was outside of politics, the miners will influence the situation through the "Miners of Russia" public political movement.

Delegates adopted amendments to the charter,aimed at enshrining the principles of democratic centralism in it. Vitaliy Budko was reelected as chairman of the Russian Coal Industry Workers Trade Union.

Russia: CPRF, LDPR Views on NATO Assailed

964F2015A Moscow LITERATURNAYA GAZETA in Russian 24 Apr 96 No 17, p 15

[Article by Sergey Yushenkov, deputy of the State Duma and member of the Political Council of the Russia's Democratic Choice party: "The Longing of

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the Strategists of War: NEZAVISIMAYA GAZETA Authors Are Devising a Theory of the Liberation From Nationalists of an Important Region of the Former USSR"]

[FBIS Translated Text] "Generals always plan to fight the last war"—this celebrated saying has come to mind quite often as of late in connection with the appearance of various articles on matters of national defense or security. Thus a NEZAVISIMAYA GAZETA supplement of 11 April 1996 published the opinion of Valeriy Dementyev and Anton Surikov (Footnote: the name of the "expert" Anton Surikov became well known after he had declared on television that "unidentified aircraft" which had bombed Chechen villages had come from the territory of Azerbaijan.) [editor's note] It could perfectly well lay claim to being a conceptual approach to the problem of reform of the Armed Forces of Russia. The basis of the concept is preservation of the bloc opposition between the Russian Federation and its CIS allies and the entire rest of the world, primarily NATO. The article declares the CIS countries, for that matter, a "zone of Russia's vitally important interests, where 25 million ethnic Russians live." For this reason Russia should also be prepared, in the authors' thinking, against these countries "to participate simultaneously in not less than one local high-intensity war, not less than one 'slow-moving' local war, and in no fewer than three 'frozen' local conflicts and peacekeeping operations." Familiar, is it not? As we all know, it was "vitally important interests" and the need to defend ethnic Germans that brought about the anschluss of Austria and the seizure of Czechoslovakia on the part of Hitler Germany.

Thus even the countries of the CIS that are declared allies are, in fact, seen by the authors as actual adversaries. In other words, Russia must be prepared to fight against everyone—against allies (actual enemies) in local wars and against potential enemies in large-scale and local wars.

Is this the raving of madmen? Possibly. But, unfortunately, this delirium has infected not only representatives of the reactionary part of the generals but also parties (primarily the CPRF and the LDPR) that already have a majority in the State Duma and are dreaming of winning the Russian Federation presidential elections on 16 June 1996.

What arguments do the authors of NEZAVISIMAYA GAZETA adduce in support of their assertions? The reasoning is reminiscent of the arguments of Chekhov's hero of the Don Cossack Host, Vasiliy Semi-Bulatov, retired sergeant of the nobility, who in a letter to a scholarly neighbor easily refuted the arguments of the latter's scientific studies (of which Semi-Bulatov had been informed by Father Gerasim).

"Can people live on the Moon if it exists only at night and vanishes in the daytime? Governments could not allow people to live on the Moon because, on account of its great distance and unattainability, it would be very easy to hide from their obligations."

This, for example, is how the aggressiveness of the NATO bloc is "proven": "In the present situation it is obvious that Russia represents no military danger for members of NATO. Consequently, NATO is of an offensive nature.... Although as of this time the potential of NATO's conventional forces is insufficient for a large-scale offensive operation against the Russian Federation similar to the Hitler invasion of 1941, it could in time be increased and moved up to the borders of the Russian Federation. In the light of this the plans for an expansion of the alliance eastward appear frankly aggressive."

Not a word is said about the NATO Partnership for Peace program, which was adopted for the purpose of averting the immediate expansion of NATO. There is no mention of the special Russia-NATO program, which is designed to expand cooperation between the former adversaries in the cold war times. There is no mention of the actual military-political cooperation between Russia and NATO or between Russia and individual NATO members. This is not fortuitous, for the emergent cooperation is striking a telling blow at the interests of the adversaries of market and democratic transformations. Why?

The point is that cooperation between Russia and NATO may be built only on the foundations of the openness of the military budgets and plans for military organizational development, civilian control of the activity of the Armed Forces, defense of democratic values, and defense of human rights. Yet the military departments in our country are impeding the establishment of the above principles of the functioning of the Armed Forces in every possible way. It is for this reason that V. Dementyev and A. Surikov propose that "in the foreseeable future" we do not regard China and Iran as likely enemies "in view of the absence of objective reasons for confrontation between the Russian Federation and these countries." And this despite the unsettled state of border disputes and other problems? The secret nature of the development of the military structures and the absence of civilian control of their activity are, evidently, a more important circumstance for the determination of allies and enemies than the openness of military policy and its orientation toward democratic values.

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The racket surrounding the so-called expansion of NATO is, generally, needed for reconstitution of the enemy image and for a return to the customary cliches of the cold war. Instead of taking the path of integration with NATO not only within the framework of programs that have already been adopted but also of closer cooperation, up to and including entry into NATO, as an associate member, say, and thereby dependably securing itself against every conceivable surprise from the West, we are moving toward conscious confrontation, which not only will not guarantee our country's normal development but will require giant resources for military spending. We could then forget about European living standards, democratic values, and sundry other achievements of modern civilization for a long time.

The NEZAVISIMAYA GAZETA authors are very decidedly minded against NATO expansion. "For a convincing demonstration to a probable enemy of the Russian Federation's resolve to prevent NATO's advancement toward the territory of the f. USSR (the designation "f." in relation to the USSR is frequently absent in the text—S.Yu.) some weapons of the OTSS (operational-tactical deterrent forces—S.Yu.) also could be moved up to the borders, specifically to the Russian- Norwegian border, to bases of the Russian Federation Armed Forces in Armenia... to the Kaliningrad special district, and to Belarus." "The reconstitution of the Belarusian Military District and the deployment there of Army forces and frontal aviation" are contemplated also. The consent of Armenia and Belarus to such a movement is not required, evidently. On the territory of the f. USSR, the authors believe, it is essential to act decisively and only in accordance with Russia's vitally important interests as understood by V. Dementyev and A. Surikov.

And lest anyone start thinking about the priorities of international law or about respect for sovereignty, the authors of the publication envisage the creation of special elite units—a mobile force of the Russian Federation Armed Forces. The article considers in detail a model procedure of the operations of these forces in the "liberation from nationalists of an important region of the f. USSR." It is very important here to quote a lengthy passage on the procedure of the "liberation" of the corresponding territory. I do not believe that the authors of the article have read the works of Adolf Hitler and his associates, otherwise they would have thought up something else. Judge for yourselves:

"At the first stage the enlisted aviation and GRU Spetsnaz forces and special FSB [Federal Security Service] and SRV [as published; presumably Foreign Intelligence Service] groups would strike to destroy or capture the enemy's most important facilities and eliminate his military-political leadership. Then mobile forces with the support of army and frontal aviation and naval forces would smash and destroy enemy groupings and take possession of his territory. This would be followed up by subunits of the Army and RF MVD Internal Troops with, as far as possible, experience of combat operations. They would take control of particularly important facilities and 'mop up' the terrain. Subsequently, with the assistance of police formed from representatives of the pro-Russia part of the local population, they would control the territory, filter out nationalists, and deport certain categories of citizens from particular localities. It should be emphasized particularly that until the special operation has been completed, local power structures are needed merely to the extent that they are useful for maintaining military control of the territory."

If instead of the names of the armed formations adduced in the article we insert other designations such as, for example, Sonderkommando, Wehrmacht, SS, Polizei, and so forth, what we get are instructions for the operations of the occupation authorities of fascist Germany on the territories destined for conquest (or already captured).

Is it any wonder that we are feared both in the "far" and in the "near" abroad?

Of course, such publications do not reflect the official viewpoint. Do not as yet. Everyone is perfectly well aware that this "as yet" could be of a temporary nature.

Will we recognize the danger of the accession to power of the "defenders of Russia's vitally important interests" capable of making of the entire "f. USSR" a "f. Yugoslavia" or present-day Chechnya?

Judging by how many people support the CPRF and the LDPR here, there are more than enough people in Russia who wish to lay down their lives in the name of the assertion of national-socialist ideas.

Are there forces capable of opposing this madness? Yes. But unless we unite around one candidate against the single protege of the revanchist forces in the first round of the voting at the presidential elections on 16 June, the Dementyevs and Surikovs will acquire an opportunity not only to expound their monstrous plans but also to make them a part of real life, more precisely, death.

Russia: Aid Decreed for Ossetia-Ingushetia Conflict, Refugees

MM0205102796 Moscow ROSSIYSKAYA GAZETA in Russian 30 Apr 96 p 3

[Russian Federation Government Decree No. 501 "On Immediate Measures To Implement the Russian Federation President's Decisions Aimed at Eliminating

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the Consequences of the Ossetia-Ingushetia Conflict of October-November 1992," signed by Russian Federation Government Chairman V. Chernomyrdin in Moscow on 23 April 1996 — from the "Documents" section]

[FBIS Translated Text] The Russian Federation Government notes that the Russian Federation Interim State Committee for Eliminating the Consequences of the Ossetia-Ingushetia Conflict of October-November 1992, other federal executive branch organs, the Republic of North Ossetia-Alania Government, and the Republic of Ingushetia Government are taking measures to implement the Russian Federation president's and Russian Federation Government's decisions to eliminate the consequences of the Ossetia-Ingushetia conflict of October-November 1992, to stabilize the socioeconomic and sociopolitical situation in the conflict zone, to return forced resettlers to their places of former residence, and to normalize the situation in populated areas.

From August 1994 through April 1996 1,469 families or 8,128 people (over 20 percent of those forcibly resettled) returned to their places of former residence, including 563 families in the last five months.

At the same time the rate at which work is being carried out to eliminate the conflict's consequences is inadequate. This is largely due to the late and incomplete allocation of financial resources for planning and surveying and construction and restoration work.

In order to implement Russian Federation President's Edict No. 139 of 15 February 1995 "On Measures To Eliminate the Consequences of the Ossetia-Ingushetia Conflict of October-November 1992" (Collected Russian Federation Legislation, 1995, No. 8, Article 655) and to increase the effectiveness of the activity of federal executive branch organs, the Republic of North Ossetia-Alania Government, and the Republic of Ingushetia Government in eliminating the consequences of the Ossetia-Ingushetia conflict of October-November 1992, the Russian Federation Government decrees that:

1. The Republic of North Ossetia-Alania Government and the Republic of Ingushetia Government, in collaboration with the Russian Federation Interim State Committee for Eliminating the Consequences of the Ossetia-Ingushetia Conflict of October-November 1992 (hereinafter referred to as the Interim State Committee), are to complete in April 1996 work to agree on a procedure for returning forced resettlers to their places of former residence and elaborate measures to normalize the situation in populated areas with mixed residence of citizens of various nationalities.

2. The Russian Federation Ministry for Nationalities Affairs and Federal Relations and the Interim State Committee are to resume the work of the Supervisory Commission of representatives of the North Caucasus region's Russian Federation components and federal executive branch organs to monitor the implementation of the accords signed between the Republic of North Ossetia-Alania Government and the Republic of Ingushetia Government on questions of eliminating the consequences of the Ossetia-Ingushetia conflict.

3. The Russian Federal Migration Service and the Interim State Committee are to allocate funds in the prescribed manner to pay refugees and forced resettlers compensation for property lost.

4. In 1996 the Russian Federation Ministry of the Economy and Russian Federation Ministry of Finance are to allocate the following sums from funds provided for the implementation of the federal investment program, which is financed from the federal budget:

To the Interim State Committee for construction and restoration work in cities and urban-type settlements — 13.3 billion rubles [R] and R10 billion in rural populated areas;

To the Republic of North Ossetia-Alania Government to restore cultural facilities in the Ossetia-Ingushetia conflict zone — R800 million.

5. In 1996 the Russian Federation Ministry of Finance, jointly with the Russian Federation Ministry of the Economy, is to allocate to the Interim State Council for priority restoration work R150 billion from funds provided by Article 16, Paragraph 19 of the Federal Law "On the Federal Budget for 1996" to finance federal regional development programs.

6. In accordance with Russian Federation Government Decree No. 982 of 9 October 1995 "On Approving a Procedure for Issuing and Redeeming State Housing Certificates To Be Issued to Russian Federation Citizens Who Have Been Deprived of Housing as a Result of Emergency Situations and Natural Disasters" (Collected Russian Federation Legislation, 1995, No. 42, Article 3983) the Interim State Committee, jointly with the Russian Federation Finance Ministry, Republic of North Ossetia-Alania Government, and Republic of Ingushetia Government are to organize work to determine requirements and to issue housing certificates to people who have suffered as a result of the Ossetia-Ingushetia conflict.

7. In implementing the 1996 federal budget the Russian Federation Ministry of Finance is to ensure that debts incurred through funding the expenditure defined by Article 16 of the Federal Law "On the Federal Budget for 1996" by organizations carrying out construction and restoration work and delivering products to restore

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the economy and social sphere in the Ossetia-Ingushetia conflict zone are offset against the sums owed by these taxpaying organizations in respect of payments to the federal budget.

8. In 1996 the Russian Federation Ministry of Agriculture and Food, Russian Federation Ministry of the Economy, and Russian Federation Ministry of Finance are to allocate R42 billion from funds provided for the Russian Federation Ministry of Agriculture and Food for capital construction to the Interim State Committee to carry out restoration work at agro-industrial complex facilities in Prigorodnyy Rayon, Republic of North Ossetia-Alania.

9. In 1996 the Russian Federal Migration Service is to allocate R3 billion for specific purposes to the Interim State Committee from federal budget funds being provided for the implementation of Federal Migration Program measures, in order to pay for transportation services relating to the carriage of refugees and forced resettlers who have suffered as a result of the armed Ossetia-Ingushetia conflict.

10. In 1996 the Russian Federal Employment Service is to allocate R5.5 billion from the federal part of the Russian Federation State Employment Fund for measures to create additional jobs and preserve existing ones for resettlers returning to their places of permanent residence.

11. The Russian Federation Ministry of Internal Affairs, Russian Federation Federal Security Service, Interim State Committee, Republic of North Ossetia-Alania, and Republic of Ingushetia Government are to ensure the forced resettlers' safety.

12. The Interim State Committee is permitted to allocate financial resources for the restoration of destroyed housing blocks to their owners on the basis of contracts concluded with them.

13. The Russian Federation General Prosecutor is instructed to ensure the prompt investigation of criminal cases associated with the Ossetia-Ingushetia conflict and the criminal prosecution of the guilty parties.

14. The Republic of North Ossetia-Alania Government and the Republic of Ingushetia Government are to:

— ensure that problems associated with the provision of facilities for returning forced resettlers are solved and that the necessary social welfare conditions are created for them;

— develop cultural ties to the full, make more use of practice of joint appeals to their peoples, and involve public organizations in the reconciliation process;

— strengthen state and public control over the observance of human rights and prevent and curtail any manifestations of discrimination on ethnic, racial, or religious grounds.

[signed] Russian Federation Government Chairman V. Chernomyrdin

Media Issues

Russia: Journalists' Union Chief Bogdanov on Media Bias, Freedom

MM0105132696 Moscow KOMSOMOLSKAYA PRAVDA in Russian 30 Apr 96 p 3

[Interview with Union of Russian Journalists Chairman Vsevolod Bogdanov by Aleksandr Gamov; place and date not given: "Journalists Duck and Dive Because They Have Their Arms Twisted"]

[FBIS Translated Text] During the first days of May the Russian free press's holidays begin — the traditional review period of the achievements of the fraternity of journalists and photojournalists. Union of Russian Journalists Chairman Vsevolod Bogdanov answers questions put to him by your KOMSOMOLSKAYA PRAVDA correspondent.

[Gamov] Vsevolod Leonidovich with the start of active election campaigning, people have again begun to talk about the "Russian press's venality"....

[Bogdanov] I recently returned from the World Press Institute congress. A discussion of the "Russian press's corruptness and bias" had suddenly begun among the great authorities on the mass media. I was asked directly whether the Union of Journalists is involved in the investigation of such incidents.

To be honest I must admit that I had gotten into an embarrassing situation and I thought for a long time before making any reply. I immediately saw vividly in my mind's eye how we initiate a journalistic investigation of a case of bias and how we expose some newspapers, television companies, or radio stations.... Then I understood that this was impossible. Why? Well, because bias, as it is understood in the developed democratic countries, is actually seen today in all our mass media!

I do not want this to sound like an accusation. This is merely a description of the situation as it is, a recognition of the inevitability of the whole situation. Because we are still at that stage of development when not one newspaper, journal, or television and radio company can exist without money from sponsorships and we can only dream about genuine economic independence. When we say that our press is free and not subject to censorship and that there are no subjects that are forbidden to it, we

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are forced to concede the major point that in order to make money, certain organs of the mass media, do nevertheless express some financial structures' or public-political movements' interests and views.

[Gamov] You once said that our journalists were a special breed, that they will both accept money and write the truth. Were you serious or joking when you said this?

[Bogdanov] Make of it what you will. I only wanted to emphasize the fact that in spite of their financial dependency, our journalists possess a purely Russian, if you like, genetically inherited characteristic of not breaking faith with the real truth under any circumstances. This gives cause for optimism.

[Gamov] Not only the Russian mass media but also the majority of journalists cannot make ends meet....

[Bogdanov] It is, of course, difficult for a journalist to be independent when his official monthly salary is 250,000-300,000 rubles. They have to duck and dive.... Here we are up against bias of a much worse kind — some particular journalist comes under someone else's influence. He hides, carefully conceals his dependence. You can understand what consequences this might have....

[Gamov] Vsevolod Leonidovich, does it not seem to you that when talking about journalists' independence in the "wider context," we often forget about such a "narrow" concept as their protection in the legal and social spheres as well as with regard to their morale.... A recent example: A new man — Eduard Sagalayev — has taken over the leadership of the Russian State Television and Radio Company. A restructuring process has begun. The popular program "Warts and All" [Bez retushi] has been taken of the air and its creator — Sergey Torchinskiy — has been sacked as manager of the "Respublika" creative association. Hundreds of creative staff are under threat of dismissal.

[Bogdanov] My wife, who is a journalist, also recently lost her job. The reasons were roughly the same. And there are many such cases. What can you do?

You can, of course, organize a rally or demonstration in protest. But, as our experience has demonstrated, these methods are ineffective. There is, I think, only one solution here: to introduce contracts between employers and creative staff, as is done in many countries.

We have already been working on this question for several years now. As you know a professional ID card for journalists has been launched. Those who possess it will become members of a professional syndicate, which is being formed within the framework of our Union. A rough text of an agreement has already been drawn up and we are holding talks with the mass media's leaders on concluding it. That is we will attempt to ensure that relations between journalists and their employers are put on a civilized footing and our colleagues are afforded greater protection — both in the legal and social spheres, and with regard to their morale.

[Gamov] Journalists continue not only to be destroyed psychologically but also to actually lose their lives....

[Bogdanov] Unfortunately this is connected with the general atmosphere of violence that prevails in the country. There is only one solution: to offer resistance, fight back when they attempt to buy you off, beat you up, or kill you.... There is no other solution.

Believe me, the Union of Journalists is doing all in its power to provide security for our colleagues. A special agreement with the Ministry of Internal Affairs, the General Prosecutor's Office, and other structures, including those under the authorities, has just been drawn up, and letters to administration heads in all regions have been drafted to ensure that journalists holding professional ID cards are afforded special protection. The call: "Don't kill journalists!" simply has no effect on anybody today. We must ourselves fight for our lives and the lives of our colleagues.

[Gamov] But doesn't the leadership of the "Creative Union" have its own view about the forthcoming elections? Does it not intend to bring this to the attention of members of the journalistic community?

[Bogdanov] Each of the 150,000 journalists in our union has the right to his own point of view. We cannot impose the views of the chairman, secretariat, or federal council on the entire journalistic community.

But on the subject of my own personal.... I think that it would be wisest to prevent a major, bitter social confrontation in society. I am, in spite of everything, in favor of our supporting the current president in the elections and helping him to finish the work on the democratic restructuring of society which he has begun. If this does not happen, neither our mass media nor you and I are likely to gain genuine freedom. While Boris Yeltsin remains at the state's helm, there is still hope of this.

Military Issues

Russia: Grachev: Not Yet Time for 'Deep Military Reform' in Army

LD0105134896 Moscow INTERFAX in English 1209 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — Russian Defense Minister Pavel Grachev believes

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that time has not yet come to speak about a deep military reform in the army.

In an interview with Interfax he reasoned this by the fact that, first, there are no financial-economic conditions for such reform. The army, said the minister, is not yet at full strength, there is not enough legal basis and priorities in the military-industrial complex are not yet determined. Understandably, the reform in the armed forces is conducted by the state, not the army. The generals only fulfill what has been approved at the state level.

Grachev has described the period which the Russian armed forces were going through after 1991 as the period "of mending holes in the armed forces." "After the collapse of the Soviet Union we needed to mend tactical and strategic holes." First, to redeploy 1,200,000 people over three years from countries of Western, Central and Eastern Europe, and from the CIS to Russia. Not a single country in the world has redeployed for such a short period such number of military personnel from one site to another. In addition, it was also necessary to redeploy 40,000 pieces of military machinery.

It was necessary to create new groups of units capable, if need be, to hold defense against possible enemy, said the minister.

A practically new combat efficient North-Caucasian Military District was created over this period. Earlier it was called "sanitary-resort". There was not a single military unit in this part of the Soviet Union. Now the North-Caucasian District is the second powerful district after the Far Eastern Military District, said Grachev.

According to him, we needed to create mobile forces, and following the collapse of the command system, a new command system over the troops and armaments was virtually created in the Russian armed forces.

Russia also strictly complies with the START-1 treaty and was reducing strategic nuclear forces.

Enormous work was carried out to create practically all directive documents, ranging from the plan of the tactical use of the armed forces to the military service regulations and so on.

Created anew was the plan of the military units deployment in case of military need and, finally, the "Single Armaments Program" was approved. "Priorities in the development of the military technology and armaments were determined at last in the history of the Soviet and Russian armies. We have achieved a single approach to arming the units in the Russian armed forces," said Grachev.

He also said that to carry out the military reform in conditions of an acute shortage of finances set aside for the army is impossible. According to him, in 1993 the armed forces did not receive from the budget 60 percent of money meant for the army, in 1994 — 45 percent and in 1995 — 26 percent.

However, despite this, experts have developed the main directions for the military reforms in Russia, said Grachev.

The minister put to the first place "a more strict division of functions between the defense ministry and the general staff," and added that this does not at all "the transfer to the civilian command by the defense ministry."

Grachev believes that the next task of the reform is the creation of territorial commands. For example, it is planned to create six territorial commands: Far Eastern, Siberian-Trans-Baykal, Ural-Volga, Southern, Central and Northern ones.

This means, said the minister, that in these territorial districts all armed forces are subject to the commander of this district who by his position is also a deputy defense minister. Subject to him are ground forces, air defenses, aviation and other units, and the fleet, if there is such in this district. This makes it possible, believes Grachev, to strictly determine the principle of the single command by different types of armed forces.

Grachev said that the draft military reform has 15 provisions, each of which determining one of the directions of the armed forces development.

Regional Affairs

Russia: Yandarbiyev: Troop Withdrawal Necessary for Talks

LD0105160596 Moscow NTV in Russian 1500 GMT 1 May 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] [Correspondent Tatyana Mitkova] And now for the events in Chechnya. Rumors of the death of Zelimkhan Yandarbiyev, the successor to [Dzhokhar] Dudayev, have turned out to be an obvious exaggeration. Only the government in Groznyy does not yet recognize that. There is information there that Yandarbiyev is alive but this information needs verification. [passage omitted]

Yandarbiyev reinforced his resurrection today by meeting journalists.

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[begin Yandarbiyev recording] As you can see talk about my death has been too greatly exaggerated. [end recording]

[Mitkova] Zelimkhan Yandarbiyev, Dudayev's successor, told journalists this today.

At the news conference which Yandarbiyev held along with Aslan Maskhadov, chief of staff of the armed formations of Ichkeria, it was stated that there could be no talk about any split in the ranks of the opposition.

[begin Yandarbiyev recording] It is a pure, absolutely 100 percent pure invention of the Russian special services, but, of course, it is aimed at shattering the monolith of our ranks. [end recording]

[Mitkova] Regarding the possibility of peace talks with Moscow, Yandarbiyev confirmed his extremely tough position.

[begin recording] [Yandarbiyev] The complete withdrawal of troops should be a condition for the talks.

[Unidentified questioner] Can't there be any talks without that?

[Yandarbiyev] Without that, unless that question is resolved, even if a meeting does take place, talks may not take place. [end recording]

Russia: Yandarbiyev 'Ready at Any Time' for Talks With Moscow

LD0105171396 Moscow ITAR-TASS World Service in Russian 1627 GMT 1 May 96

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Southern Chechnya, 1 May (Itar-Tass) — "In order to save human lives on both sides, we are ready at any time to begin talks with Moscow at the appropriate level," Zelimkhan Yandarbiyev, the successor to Dzhokhar Dudayev, declared today in an interview with an ITAR-TASS correspondent.

In a conversation with an ITAR-TASS correspondent in a village in southern Chechnya, Yandarbiyev said that "the basis for meetings and talks at any level, including the highest level, should be a real desire to establish peace in Chechnya, not propaganda ploys in the run-up to an election."

"Otherwise the armed forces of the Chechen Republic of Ichkeria and the people's volunteers are ready and will fight to the last for the people's sacred right to determine its own destiny," Yandarbiyev said.

He announced that he had a detailed plan for a settlement of the crisis in Chechnya, but he did not reveal any details of the plan.

Yandarbiyev called the announcements of his death that were put out on Monday "a crudely fashioned propaganda ploy." He took roughly the same view of the announcements to the effect that Shamil Basayev had been appointed commander of the separatists' armed forces.

Zelimkhan Yandarbiyev stressed especially that he is ready personally to meet a representative of the Russian top leadership "if the representative was not involved in organizing the attempt on the life of Chechnya's First President Dzhokhar Dudayev, declares his respectful attitude toward the Chechen side, and refrains from using terms like 'criminals,' 'bandit formations,' and 'terrorists.'"

Yandarbiyev let it be understood that talks could be started on certain conditions, which could be discussed later. Earlier in the interview with the journalists, Yandarbiyev repeatedly mentioned the complete withdrawal of federal forces from Chechen territory as one of the basic conditions for starting talks.

Russia: Chernomyrdin: No Change in Stance Towards Chechnya Settlement

LD0205064796 Moscow ITAR-TASS World Service in Russian 0612 GMT 2 May 96

[By ITAR-TASS correspondent Artem Protasenko]

[FBIS Translated Text] Moscow, 2 May (Itar-Tass) — "The position of the federal authorities regarding a settlement of the situation in Chechnya is not changing," Viktor Chernomyrdin, chairman of the Russian government, told journalists this morning at Vnukovo-2 airport before taking off for the Scandinavian countries on an official visit. No matter what the circumstances and the center's assessment of the actions, he said, "There is only one way — to stop the war, using both political and military means."

The prime minister stressed that the government will invariably act within the confines of the presidential program for a settlement of the situation in Chechnya in the future, too: "The situation is changing, people are changing, but our policy of restoring peace in the republic remains unchanged." He said that Vyacheslav Mikhaylov, minister of nationalities and federal relations, will continue to seek ways of attaining a political settlement and organizing a negotiation process. Viktor Chernomyrdin noted that "there are no limitations; we are willing to hold talks on any level with those who can influence the situation."

The head of the government appealed to all the forces that can influence the situation in the region to stop the armed confrontation and set about restoring peace in the

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republic. "We have to resolve this problem; no one will resolve it for us," Viktor Chernomyrdin pointed out.

Russia: Damage From Fire at Groznyy Refinery Costs R18 Billion

LD0105122796 Moscow Russian Television Network in Russian 1000 GMT 1 May 96

[From the "Vesti" newscast]

[FBIS Translated Text] Unfortunately, the first festive night in Groznyy was not free of unpleasant surprises. At 0230 over 10,000 tonnes of gasoline caught fire at the Groznyy oil refinery. The fire was caused by overnight shelling. Fire-fighters arrived in five minutes, but because of the shelling it was two hours before they were able to tackle the fire. All they can do now is to prevent the last tank catching fire. The gasoline will burn out by about midnight. The damage will amount to about 18 billion rubles [R].

[begin B. Saidov recording, captioned as director of the Groznyy oil refinery] I think that this is simply the elimination of valuable stocks which the republic hardly has enough of. [end recording] [video shows fire]

Russia: Cost of Rebuilding Chechnya Set To Fall

MM0105155696 Moscow IZVESTIYA in Russian 30 Apr 96 p 2

[Report by Yelena Yakovleva: "Chechnya Is Being Rebuilt at a Very High Cost. Will It Be Possible To Rebuild It More Cheaply?"]

[FBIS Translated Text] Groznyy-Moscow — Rebuilding work to a value of 6.8 trillion rubles [R] was carried out in the Chechen Republic last year. (Just look around at our ruins, I was told in Groznyy, and you will see with your naked eye that what has been built is worth less than R6.8 trillion). In 1996 plans call for spending, according to Finance Ministry data, R16.2 trillion on rebuilding work in Chechnya, of which R10.2 trillion will be allocated from the federal budget. The volume of funding will be more than doubled. How will this money be spent?

People in Groznyy Do Not Dream of Chinese Kerosene Lamps or French Cheeses

"Butter worth R18 billion is stored in a depot in Vladikavkaz," Shakhrudi Dineyev, leader of the Chechen Republic's trade mission in Moscow, told me. "It is butter for Groznyy, but it cannot be sold there. Because of the high price. The same goes for cheese at R45,000 per kilogram. Or Chinese kerosene lamps at $22 each."

Where villages have not been smashed up, there is electricity, but in the smashed houses no one dreams of lighting a Chinese lamp for R100,000 or dining on cheese at R45,000, unless it is humanitarian aid, of course. People would endeavor to sell the latter in the market and use the proceeds to buy construction materials to patch the hole over their heads.

According to Shakhrudi, solicitous trade organizers in Moscow do not know the elementary fact that people in the Caucasus do not drink vodka out of large bottles but will always place a jug or small bottle on the table — this is the tradition there. That only soldiers will eat pork in Groznyy, while Chechens will be prevented by Muslim custom. That it is better not to send Chinese stew to Chechen cities and villages in cartons — it will simply be spoiled, as has already happened. It is best not to send preserved corn at all, not even in iron cans. That people there wear high galoshes, which must have red flannel linings, and will not put on ordinary ones....

Everyone is fed up with the kind actions of officials from central departments, which endlessly miss the mark, but there is nothing you can do about it: They are given budgetary money and are considered the best experts at how to rebuild, feed, shoe, and clothe Chechnya.

At precisely the time I was having this discussion with Shakhrudi Dineyev, Doku Zavgayev, the Chechen Republic head of government, arrived in Moscow and started speaking of the need to reform the system of funding to rebuild the republic's devastated economy.

What has this reform boiled down to?

"Of course, we do not claim all the money, but maybe half the budgetary funds being channeled into the republic ought to be handed over to the Chechen Republic Government," one of the officials privy to Zavgayev's plans said to me.

I Order, Carry Out, and Pay All by Myself

In Groznyy itself people continued to tell me about the absurdities of the rebuilding in the capital under departmental direction.

A Chechen driver is paid R80,000 to drive the truck that removes the trash when a smashed building is taken apart, while a temporarily attached Russian driver gets almost R800,000. These are not machinations but official rates — they include increments for work under wartime conditions and for work under straitened conditions, higher winter rates, expenses, bonuses.... One cubic meter of brickwork laid by local workers costs approximately three to 3.5 times less than that laid by temporarily attached workers.

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The Groznyy tax police told me that the majority of the out-of-town construction organizations operating in Chechnya are not, as a rule, registered in Groznyy, although Russian Government Decree 660 makes this mandatory. They put this down to the fact that they pay taxes locally — in Yaroslavl or Vladimir. Not that they always pay all the taxes even "at home." The Groznyy tax police recently sent off damning documents against one of the Vladikavkaz construction organizations operating in Groznyy, which had failed to pay R11 billion in taxes to the treasury.

Lots of joint-stock companies are being set up all over Russia specially to operate in Chechnya; the volumes of work carried out by them locally are scanty — R10, 20, at most 100 million — while in Chechnya they reach tens of billions but are hidden from the attention of the tax police.

In addition, all sorts of economic discrepancies arise.

"The Yaroslavl organization pays all social deductions (for pensions, health care, education) in Yaroslavl, while 60 percent of the workers hired by it live in Groznyy and, consequently, study, receive medical treatment, and draw pensions here," Danilbek Vakhayev, lead specialist of the operations section of the financial police administration for the Chechen Republic, said.

All that criticism of the organization and funding of rebuilding work in Chechnya is directed at the departmental principle.

When the Russian authorities adopted the decision not only to bomb but also to rebuild what had been destroyed in Chechnya, they entrusted this to the central Russian ministries and departments — the Ministry of Construction, the Ministry of Trade, the Ministry of Railways, the Ministry of Agriculture and Food, etc.

"It was an forced decision," Bogdan Istamulov, minister of finance in the Chechen Government, believes, "for at that time there simply was no one in Groznyy to whom budgetary money could be transferred directly. Not to Dudayev? An alternative local power had not yet taken shape, but rebuilding work had to be started."

Central Russian departments set to with great enthusiasm. There was a serious underlying economic reason for this enthusiasm. By applying its own overworked shoulders to the quite generous flows of budgetary money, albeit intermittent flows, each department was enabled to resolve its own problems in addition to those of devastated Chechnya. By acting simultaneously as the client and the performer of work, the department acquired an almost unchecked opportunity to settle up with itself in a very generous manner.

In the opinion of Groznyy tax police specialists, approximately 15 percent of the value of all the work carried out in construction, with all the extras for work under wartime, straitened, et cetera conditions, goes to the general contractors [genkontraktory i genpodryadchiki], who are somewhere in St. Petersburg or Rostov-na-Donu and have very little to do with the wartime, straitened, and other unpleasant conditions in Groznyy.

Groznyy is being rebuilt at a very high cost! — everyone in the Chechen capital said over and over again in unison. The reason for this lies in the departmental funding scheme.

Meanwhile, the Chechen Republic head of government returned to Groznyy from Moscow not just with one trophy but with two. He was permitted to take from the departments not one-half of all the budgetary funds being channeled into rebuilding work in Chechnya but all of them.

With the heartfelt conviction of people who have just seen the light the Russian president and premier explained on television that a department must not, in actual fact, combine within itself both the client and the performer — such scope for corruption and overexpenditure opens up here! The principle itself is worthless!

Where Is the Guarantee That Living Will Become Easier and Thieving Harder?

But as soon as they changed the old funding scheme, the question of the efficient and waste-free nature of the new one arose.

I asked the Chechen Republic minister of finance how I will be able to be convinced at the beginning of next year that the new funding scheme is more efficient.

"Let's go and take a look at rebuilt apartment blocks. Many of them look as pretty as a picture, but inside the heating and sewer systems have not been installed. When you come back to us in a year's time, we will show you properly appointed apartments," Finance Minister Bogdan Istamulov answered me.

Somehow the principle of a visual comparison between one badly appointed block from last year and another, well-appointed one from this year did not convince me. Then Bogdan Muchayevich cited another argument. Of course, he said, figure padding is widespread in construction here, but even if Chechen construction workers add on 100 percent to the volume of work done, all the same, even with the figure padding, this will cost one-third less than the official payment to Russian specialists, for this is three times higher.

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What if the Chechen construction workers will not stop at 100-percent figure padding and dare to push the figure higher?

The finance minister had no other arguments.

When I asked if the recipients of the orders will be determined by tender, he replied that it might be worth setting up tender commissions.

Of course, the Russian Government has replaced the absolutely unsuitable and costly principle of departmental funding with...which principle exactly?

Doku Zavgayev, head of the Chechen Republic Government, unembarrassed by the presence of journalists, rebuked rural administration leaders at a press conference for the fact that jobs are bought and sold in the republic. People in the corridors of power have complained that you cannot get into those corridors without a bribe. When I asked Shakhrudi Dineyev whether he was tempted to trade primarily in other Russian cities, where effective demand is higher than in destroyed Groznyy, he started distractedly explaining that that is possibly so, but there is nothing terrible about it — he would be selling the self-same Chinese lamps in Khanty-Mansiysk, getting precious metals in return, buying butter with them.... Poor Groznyy flickered somewhere far over the horizon of this deal.

Admittedly, the Russian Government is promising stringent controls over the expenditure of budget funds. Deputy Finance Minister Vladimir Petrov has reported that money will be sent to the Central Bank cash payment center which it is planned to set up in Chechnya. Preliminary controls over the receipt and distribution of the funds will be carried out by the State Commission chaired by Viktor Chernomyrdin. For more stringent controls it is planned to set up a special organ within the government apparatus which will include representatives of the Finance Ministry, the Ministry of the Economy, the State Tax Service, and the Federal Security Service. This organ should conduct an annual comprehensive audit of the expenditure of the funds and check up on current payments.

But will it get a grip on even 1 percent of the figure padding at the Groznyy Construction Administration?

The situation regarding the choice of plans for the funding of rebuilding work in Chechnya hardly inspires confidence. You get the feeling that a good decision in this area is impossible. To a certain extent this major budget expenditure is reviving the situation of socialist state financing from the shared pot — a system which gave rise to the decades-long ingrained experience of wasting budget funds on all and sundry. Under socialism these things would be useless projects which satisfied departmental ambitions and boosted payrolls. During the reform era officials have distracted themselves by diverting budget flows to strengthen their own personal well-being and to support private enterprise — their own or that of their close relatives....

Given the lack of any undisputed decisions the option which the Chechen Republic head of government took to Moscow does not look so bad. It at least provided the possibility of creating a competitive situation and comparing the effectiveness of the utilization of budget funds. But Zavgayev got more than he asked for.

Russia: Federal Troops Continue Talks With Chechen Town of Shali

LD0105134596 Moscow INTERFAX in English 1322 GMT 1 May 96

[FBIS Transcribed Text] GROZNYY, May 1 (Interfax) — Federal troops have continued talks with a delegation from the district center of Shali, some 45 kilometers to the east from Groznyy, the city administration told Interfax Wednesday.

Yesterday the talks proved fruitless, as federal troops insisted that several hundred armed separatists are in town, while locals maintained that only several amnestied persons are there.

Federal troops demanded their documents be submitted to the commission for legal rehabilitation of former rebels, but no answer from the elders has yet arrived by 11 a.m. Wednesday.

Federal troops had besieged Shali 11 days ago.

Russia: 'Militants' Fire at Interior Ministry Building in Groznyy

LD0105134996 Moscow INTERFAX in English 1321 GMT 1 May 96

[FBIS Transcribed Text] MOSCOW, May 1 (Interfax) — The positions of federal forces and of local authorities' fighters were shelled five times yesterday in the Chechen capital of Groznyy. Militants opened fire two times at the building of the republic's Interior Ministry's temporary department, a spokesman for the Chechen Interior Ministry told Interfax on Wednesday.

No reports came about casualties.

The criminal police of the Chechen Interior Ministry's temporary department released Gennadiy Sidorov, a private of the Russian Army, who has been held as a captive of Chechen militants since December 1995.

According to the Interior Ministry's information, during the clean-up operations in the Zavodskoy District of Groznyy, engineers defused four explosive devices.

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According to the Interior Ministry, 13 crimes, including six robberies, were also committed yesterday. In the Staropromyslovskiy District of Groznyy six unidentified persons robbed the apartment of a city resident and drove away his car. In the Leninskiy District of Groznyy, gangsters took away 120 million rubles from another city resident. In the Zavodskoy District the owner of an UAZ vehicle prevented gunmen to seize his car and the latter opened fire at the car and escaped.

The criminal police in Groznyy arrested the inhabitant of the Moscow Region's town Lyubertsiy Aleksandr Zvyagintsev, who is wanted by the federal police, in a KAMAZ truck.

Experts of the economic crime department of the republic's Interior Ministry arrested a person suspected of stealing 280 million rubles set aside by the federal authorities to restore housing in Groznyy.

The police confiscated 450 grammes of opium yesterday.

Russia: Tikhomirov Explains Why May Day Rallies Banned in Groznyy

LD0105222296 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 1 May 96

[From the "Novosti" newscast by announcer Arina Sharapova]

[FBIS Translated Text] However, one does not have a sense of holiday in Chechnya today.

[begin recording] [Grigoriy Brynza video report from Groznyy] According to the information of the command of the provisional group of forces, the armed opposition intends using the May Day festival to organize provocations and terrorist acts against the federal troops. It is for this reason that rallies and mass processions have been banned in the Chechen capital. Along the roads entering and leaving the town and in Groznyy itself, road blocks have been reinforced and the power structures have been put on a footing of increased combat readiness. [video shows armored car moving along road and road block]

[Vyacheslav Tikhomirov, commander of the provisional group of federal forces in the Chechen Republic] So, during these festive days someone again wants to attempt to display their imagined force and power here. Of late we have learned that there are great contradictions between the commanders of these gangs. Attempts to appoint, now Maskhadov, now Basayev, as leader demonstrate that, after all, this process will be a lengthy and painful one and it will of course result in some people being killed because a whole range of these contract killings which, after all — for some reason everyone would like to have seen the federal troops doing this — shows that if there are contentious issues it is only by gang law and the laws of the criminal world that they are resolved. When the strongest wish something to happen, then the weakest usually give way. And now, it seems to me, what is at issue is not the Chechen republic or Ichkeria, but the money bag that is now ownerless as it were and another sort of overlord is needed to take control and afterwards perhaps to somehow begin running the entire situation and the opposition against the federal structures in the Chechen republic. [end recording]

Russia: About 10,000 Leftist Supporters Rally in St. Petersburg

LD0105165396 Moscow INTERFAX in English 1616 GMT 1 May 96

[FBIS Transcribed Text] ST.PETERSBURG, May 1 (Interfax) — About 10,000 people took part in a rally launched by the Russian communist parties and leftists on the Dvortsovaya Square in St. Petersburg on Wednesday, an Interfax correspondent reports.

The rally was dedicated to the May 1 holiday which was traditionally marked in Soviet times as a day honoring labor. The action involved representatives of the Communist Party of Russia (KPRF), the Russian Communist Working Party (RKRP) and the Russian Party of Communists (RPK).

Those at the rally urged voters to deny confidence to present Russian President Boris Yeltsin in the June 16 presidential elections and to St. Petersburg Mayor Anatoliy Sobchak in the May 19 gubernatorial elections.

"Enemies have taken the Kremlin and the [St.Petersburg] Smolny and are deciding the people's future there," said Russian State Duma deputy Yuriy Sevenard of the Communist Party faction. Sevenard is running for the post of the St. Petersburg governor. He urged voters to make "the right choice" at the June 16 and May 19 elections.

Today, "the country is in danger again," State Duma deputy and Head of the Communist Party of Russia St. Petersburg branch Yuriy Belov said at the rally.

"Let's not just come to the polls but support the forces fighting for the reinstatement of Soviet power," he told the demonstrators.

The demonstrators sang the Internationale revolutionary hymn to mark the rally's end.

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Russia: Oil Sector's Problems Considered

MM0205091996 Moscow RABOCHAYA TRIBUNA in Russian 30 Apr 96 p 2

[Article by Aleksandr Kucherenko under the "We Pose the Problem" rubric: "Down the Pipe Is Where All Russia's Oil Will Go Unless Russian Plants Start Producing Equipment Instead of Importing"]

[FBIS Translated Text] The experience of energy-rich countries demonstrates that they not only safeguard their own energy security but also acquire reliable political and military allies. Energy exports pay for hard currency, the implementation of effective reforms, and the development of science, culture, technology, and agriculture.

Unfortunately this has not happened in Russia, although the opening up of Western Siberia made it possible to increase oil extraction by 230 percent and gas extraction by 540 percent. Prior to perestroyka the growth of oil and gas extraction was non-stop. In 1988 around 800 million tonnes of "black gold" was extracted. Whereas last year the figure totaled slightly more than 300 million.

Despite oil company leaders' assurances, the decline in oil extraction was not halted last year either. It only proved possible to slow the rate of production decline. Whereas in 1994 extraction including gas condensate fell by more than 36 million tonnes countrywide, the decline in 1995 was 11 million tonnes. The rate of decline fell from 10.2 to 3.5 percent. Although some trend toward stabilization was observed in 1995, oil extraction is continuing to decline. The growth of energy source reserves is not being ensured for even such a most important resource for the country as natural gas. Why? After all, it is common knowledge that the oil and gas complex brings half of all the foreign currency revenue into the Russian economy. The Russian fuel and energy complex currently provides 32 percent of industrial output in domestic prices and 54 percent in world prices. Figuratively speaking, the fuel and energy complex carries the Federation's entire economy on its shoulders like a powerful Atlas. Logic is a stubborn thing and compels the conclusion that the Russian Government should never avert its eyes from the fuel and energy complex and should show concern day and night for its development. But very regrettably this is not yet happening.

To prove this thesis let us cite just one problem — the development and production of import-substitution equipment and machinery for the extraction and transportation of oil and gas. In 1994 we bought pipes, pumps, and other equipment to maintain oil and gas extraction at a stable level worth $4.5 billion, which amounts to almost 40 percent of oil export earnings. But even despite numerous purchases abroad, the constant reduction in investments in import-substitution machinery and equipment was bound to have an effect. And particularly on oil extraction.

In 1995 the decline in the ruble exchange rate, increased excise duties, the unpaid bills crisis, and a lack of payments discipline led to a situation in which the oil industry's unpaid debit arrears increased to the astronomic sum of 100 trillion rubles [R]. All this weakened the cash flow situation and, consequently, producers' ability to accumulate investment resources, including for purchases of machinery and equipment.

The above-normative number of production wells [pererabatyvayushchaya skvazhina] which cannot be repaired without the appropriate machinery and equipment had reached just under 13,000 by the end of last year. And it is continuing to increase. The potential losses in oil extraction have reached 2 million tonnes a month.

In the last two years there have been 22 accidents affecting pipelines transporting oil, petroleum products, and gas condensate, resulting in losses of R8 billion. There are approaching 40,000 accidents a year at oil installations, which translates into an oil production shortfall of 1 million tonnes a year. It is absolutely clear that it is simply impossible to import machinery and equipment for the fuel and energy complex, and even more so to keep increasing imports.

But what about our own country's machine building? In the recent past the Ministry of Chemical and Petroleum Machine Building was "in charge" of equipment for the oil and gas complex, with the exception of Ministry of the Petroleum Industry repair enterprises.

The disintegration of the USSR in late 1991 led to an acute shortage of equipment for the oil industry because a large proportion of it had been produced in Azerbaijan and other republics. Large-scale conversion of defense industry enterprises began at the same time. For these enterprises, entering the oil and gas equipment market at a time of an unprecedented reduction in defense orders was their only chance of surviving in market conditions. And it has to be acknowledged that they made full use of this opportunity. Now, with minimal state support in the shape of soft conversion credits, 75 defense complex enterprises produce around 170 types of oil and gas equipment, of which only 11 were in production prior to 1992, and the Voronezh machine plant and "Uraltransmash" have obtained an international certificate of quality. More than 40,000 jobs in the defense complex have been saved by

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producing output for sectors of the fuel and energy complex.

More than 20 brands of equipment put into production by conversion enterprises are competitive on the foreign market and are not inferior to the best Western models, although in general the proportion of certificated equipment meeting world technical standards remains insufficient. The main reason for this situation is low research and development funding and manufacturing enterprises' lack of funds to prepare their products for certification. A negative role in this respect was played by the initial course of putting into production in Russia output whose production had been left outside its borders, when Russian defense industry enterprises were compelled to reproduce in their own plants uncompetitive and often obsolete equipment for the fuel and energy complex.

But the problem of import substitution was not solved. Because of the acute shortage of funds to develop new, highly efficient equipment for oil extraction, enterprises often used obsolete equipment. The technical standard of most types of equipment put into production is inferior to foreign counterparts. This is precisely why purchases of imported machinery and equipment are continuing today.

In February the Russian Government adopted the State Program for Defense Industry Conversion. It includes the sub-program "The Development of Production of Equipment for the Fuel and Energy Complex for 1995-2000." This year it is planned to allocate more than R1.5 trillion for investment in the production of import-substitution equipment for the oil and gas industries. Of this R24 billion is from the budget, R672 billion on a repayable basis, and R809.1 billion from nonbudget sources.

"But as the experience of recent years shows, no more than 20 percent of what was promised in terms of funding for the production of import-substitution machinery and equipment from pro-government sources has been provided," V. Degtyarev, chief of department at the Russian Federation Ministry of Fuel and Energy, said. "I do not think any more than that will be allocated this year."

The Russian Federation Ministry of Fuel and Energy is doing all it can to change the prevailing situation. It has elaborated the targeted program "The Development of the Production of Equipment for the Fuel and Energy Complex" as part of the State Program for the Conversion of the Defense Industry, and the "Intersectoral Problems of Machine Building for the Fuel and Energy Complex" within the Federal "Fuel and Energy" Program, which envisages funding on a repayable and non-repayable basis. These programs are aimed at developing and assimilating the production of highly efficient import-substitution equipment, eliminating unjustified competition for Russian commodity producers on the internal market, and using advanced technologies. However, in 1995, because of the lack of budget funds, no new work was started on these programs.

A lot has recently been said about Western investments in the Russian economy.

"We are receiving foreign credits for the development of the oil extracting industry," A. Shatalov, Russian deputy minister of fuel and energy, said. "Their volume is a subject for another discussion. For now I would like to say that, as a rule, between 30 and 50 percent of the total credits are earmarked for the purchase of equipment from Russian manufacturers. The struggle for this money should encourage Russian assemblers to take part in projects. This equipment includes practically all types of drilling equipment, borehole repair units, oil pumping jacks, pumps, platforms, and so on."

Furthermore, A. Shatalov noted, equipment for the gas industry is needed. This mainly concerns sea platforms, and also equipment for laying the major new Yakutia-China-South Korea and Yamal-Belarus-West Europe gas pipelines, increasing the supply of gas to Turkey, and a number of other projects. A large sphere of activity for the Russian machine builders is also opening up in connection with the modernization of the Russian oil refining and petrochemical industry: It will be necessary to modernize practically all Russian oil refineries in the next few years.

O. Soskovets has put forward his own plan for developing the production of import-substitution machinery and equipment. At a meeting with oil industry workers in Tyumen, the Russian Government's first vice premier announced the need to grant tax concessions to enterprises producing efficient equipment for the fuel and energy complex and create a special fund for supporting them. Oil companies such as "Lukoil," "Rosneft," "Sidonko," and Yukos", among others, could be the founders of the fund, the vice premier believes. Let us hope that these ideas materialize.

The Russian Federation Government is adopting measures to introduce temporary protective measures in respect of commodities being imported into Russia's customs territory and causing substantial harm to domestic commodity producers manufacturing similar or competitive output. The machine builders are welcoming these temporary measures, but at the same time they believe that unless the government urgently adopts permanent measures of state support for the production

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of high-performance import-substitution equipment, imports will dominate the domestic oil equipment market as a result.

Meanwhile storm clouds are gathering over the oil industry workers. The abolition of duty on oil and oil products accompanied by a simultaneous increase in excise, together with a revaluation of the key assets in the oil industry may lead to a situation whereby the domestic prices of oil and oil products are higher than world prices. And it will be more advantageous to import oil than the equipment for extracting it.

In the prevailing conditions, in order to reinforce sources of funding investments and reduce the burden on the federal budget, the Russian minister of fuel and energy believes that the government must resolve the problem of the targeted export in 1996 of 15 million tonnes of oil and oil products, 20 billion cubic meters of gas, and 10 million tonnes of coking coal. The proceeds should be at least $1 billion. This will make it possible to sort out, in addition to other problems in the fuel and energy complex, the organization of work in the production of import-substitution machinery and equipment.

Economic Issues

Russia: Ministers Discuss Wage Arrears Problem

MM0205081996 Moscow TRUD in Russian 27 Apr 96 p 2

[Report by Andrey Kolesnikov, incorporating statements by Finance Minister V. Panskov and First Deputy Economy Minister Ya. Urinson: "Authorities Versus 'Party of Unpaid Wages.' Budget Should Not Pay for Other People's Debts"]

[FBIS Translated Text] The president has kept his promises — wage arrears to budget-sector workers have been cleared. But for some reason it is still thought that the federal authorities owe money to everyone, including workers at enterprises which have long since become privately owned. Although it is the boss who pays at such enterprises the world over. But that is our "mentality." The directors of many private enterprises, not wishing to share power with the owner or to find themselves under the control of the shareholders, are willingly exploiting the habit of many workers to direct all their complaints against the state. It seems as though the entire country is ready to stand in line at one big state cashier's office. Just how have the authorities managed to repay the budget-sector part of the wages backlog?

Russian Federation Finance Minister Vladimir Panskov: "The promises have been kept. The budget owed 8 trillion rubles [R] on wages. Moreover, we were forced to provide unplanned aid of R4.7 trillion to Federation components. These are loans which we issued to allow them to settle their debts. Naturally, all this could not fail to be reflected in the funding of first-quarter budget expenditure. We are talking about borrowings on the securities market — short-term state bonds and federal loan bonds. We had to borrow more than planned.

"Of course, I cannot guarantee that there will be no wage arrears in the future. There are 30,000 budgets in the country, and it is impossible to control all of them."

The Finance Ministry has been accused of delaying transfer payments to the regions. But part of the blame lay with the administration heads. After senior government officials had met on several occasions to assess the potential of budgets in each part of Russia, it transpired that in most cases the local leaders were able to pay off their wage arrears. Although many administration heads were faced with the dilemma of leaving the region without heat or without wages. Decisions were made on the basis of the severity of the situation....

The part of the wage arrears which was the responsibility of the federal authorities came to less than 20 percent of the total amount owed to the population.

Yakov Urinson, Russian Federation first deputy minister of the economy: "The budget's debts have to be repaid by any means. But only in the amount owed by the budget. If some people make an unsanctioned decision to increase wages, they must take responsibility for it. But the amounts owed to budget-sector workers are less than 20 percent. The rest is made up of two parts. In one case a joint-stock enterprise will fail to pay wages owing to a temporary cash flow problem. In that case it needs to be helped to get out of that situation as quickly as possible. But if it fails to pay its workers because it is producing uncompetitive output and is not earning any revenue, then it needs to be declared bankrupt — there is no other option. And the state cannot take responsibility for this kind of joint-stock company. In the other case the enterprise will have the money but is keeping it in second or third accounts and not paying its wages. That is a matter for the Prosecutor's Office, and I advocate the strictest measures in this area.

"If the authorities keep to their budgetary role — in funding the defense complex (that means paying everyone working for defense enterprises), in funding capital investment (paying construction workers), in funding education, and in funding health care (paying teachers and doctors) — there will be no wage holdups. For instance, the wage delays in the Army were to a considerable extent due to the fact that in 1995 the Army leadership decided to increase pay not only for people

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in 'hot spots' — as laid down by the president and government — but for everybody.

"The state is now tackling the directors of joint-stock companies. Those very people whose financial prosperity is in no doubt but whose personnel are not being paid. The state's behavior is entirely understandable — we need to finally defend ourselves and stop paying other people's debts. And to this end we need to punish those who are to all intents and purposes undermining state power.

"State labor inspectors are tackling this issue. Joint-stock companies which are in arrears over pay are being fined. But the control organs are uncovering new violations. You sometimes get the impression that many directors are confident that they cannot be punished. This is not just a problem about the mentality of old-style managers. We are coming up against a certain kind of ideology here. If I continue a well-known metaphor ('party of war,' 'party of inflation,' and so forth), these enterprise managers could be dubbed the 'party of unpaid wages.' Why do they do this? To discredit the 'criminal regime' and blame it for their own inability to work effectively. It is a kind of mixture of political and purely personal motives.

"According to figures from Presidential Aide Aleksandr Livshits, more than R206 billion was paid out by enterprises in all forms of ownership in April purely as a result of stepping up controls over salary payments.

"Here is a very typical example of the abuses of joint-stock company managerial personnel — in Tatarstan checks into the 'Kazanskiy Zavod Gazovoy Apparatury' Joint-Stock Company uncovered a large amount of deferred debt on wages over the period December 1995 to February 1996. At the same time, the joint-stock company leadership had been receiving large sums in cash on account — R24 million to pay for a trip to Germany by the general director, trips by plant specialists to the United Arab Emirates.... Total unrepaid funds come to R95 million. That would be enough to pay the wages of workers at 11 production subunits.

"As a rule, enterprises which fail to pay their wages are very successful at dodging their taxes. There is no income in their current accounts, and this is used to demonstrate their inability to make any payments — either to the state or to their work force. The motives for not paying their taxes are pretty much the same as for not paying wages — a desire for personal enrichment and a politically colored hatred of the authorities' economic policy.

"I think that it will be clear to everyone that the authorities have the right to defend themselves. Themselves and their citizens. And the authorities intend to exercise that power."

Russia: Paris Club: Russia Gets Debt Repayment 'Breathing Space'

MM0105102196 Moscow FINANSOVYYE IZVESTIYA in Russian 30 Apr 96 p 1

[Report by Aleksey Portanskiy: "Moscow Obtains Rescheduling of Debt Over 25 Years from Paris Club" — received via Internet]

[FBIS Translated Text] An agreement between Russia and creditor states belonging to the Paris Club on a 25-year restructuring of about $38 billion of the former USSR's debts was signed at 0700 hours Monday in the French capital. This was announced to Russian journalists at a press conference held in Paris on the morning of 29 April by the head of the Russian delegation at the talks with creditors, Vice Premier Oleg Davydov.

In accordance with the signed document, the clearance of the debt will start in 2002 and is to be completed in 2020, FINANSOVYYE IZVESTIYA was told from Paris by Aleksey Smirnov, member of the Russian delegation and chief of the Finance Ministry's Department of Foreign Credits and Foreign Debt. In other words, Moscow has achieved precisely what it sought — the spreading of payments over 25 years with a concessionary, six-year period during which the debtor is exempt from debt repayment. Almost the whole sum of the debt — $38 billion (the total sum is somewhat higher, being close to $40 billion) — has been restructured.

The agreement is unprecedented in the Paris Club's 40-year history both in terms of the size of the debt restructured and the terms given Russia. From the economic standpoint, Russia obtains a considerable breathing space, which will enable it to relieve the serious pressure on the budget exerted in the form of the regular deduction of many billions of dollars to pay the foreign debt and start clearing it once the critical transitional period is behind and a real recovery in output has begun in the country.

The agreement with the Paris Club enables the problem of the country's total debt, which now amounts to more than $120 billion, to be resolved, as the accord with it serves as a yardstick for all other creditors. An agreement with the London Club of bank creditors, which are owed $24-26 billion, on a similar 25-year-long restructuring has in fact already been prepared — only a few legal aspects of it remain to be completed.

The signing of the agreement in Paris was a pretty complex process and a correspondingly complex document

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resulted from it, Aleksey Smirnov said. The delegations did not complete their work until Monday morning instead of Friday as planned. The difficulties in reaching a compromise were particularly due to the differing interests of the actual creditors. For example, a considerable part of the restructured Russian debt, somewhat less than half, is owed to a single creditor — Germany. And accordingly its burden during the solution of the question of Russia's debt proved the heaviest.

In principle the question of the long-term restructuring of Russia's debt was resolved one year ago at the G-7 summit in Halifax. However, corresponding political pressure from G-7 finance ministers, who advocated a positive solution of the problem, also exerted a substantial influence. As a result the Paris Club's approach to settling the problem of Russian debt also contained a perfectly obvious political aspect — support for Boris Yeltsin on the eve of the presidential elections in Russia.

Russia: Gazprom Chairman Views Company's Performance

MM0105152296 Moscow TRUD in Russian 30 Apr 96 p 4

[Undated message from Rem Vyakhirev, chairman of the Gazprom Russian Joint-Stock Company Board, "To Shareholders and Labor Collectives"]

[FBIS Translated Text] Today scarcely anyone doubts that the gas sector is the steadiest sector of the Russian economy, and one of the fundamental pillars of Russia's economic production potential.

The Gazprom Russian Joint-Stock Company has convincingly shown in practice that it is a viable and effectively functioning market structure. This is dictated to a significant extent by the fact that we have elaborated a correct strategy for the development of the sector, have promptly adapted its organizational structure and economic mechanism to the new economic relations, and have been able to uphold the unity of the Single Gas Supply System.

Gazprom's task is to ensure reliable gas supplies in Russia, implement interstate treaties on export, and pursue a sectoral scientific, technical, and investment policy, as well as develop and reconstruct the Single Gas Supply System and monitor its functioning.

In the past three and a half years, despite the significant fall in industrial production in Russia, the gas industry has practically maintained its volume of gas extraction and ensured reliable gas supplies for its customers.

The complex situation in the country connected with the political and financial instability is displaying itself with particular force in the nonpayments crisis.

By the end of 1995 the nonpayments problems involving natural gas sold on the Russian and CIS markets had become extremely acute. In addition to the growth of nonpayments in 1995, new withdrawals of funds from the company's budget for tax were introduced.

Big debts to Gazprom, primarily owed by Russian consumers and Ukraine, have made it impossible to invest sufficient funds in the development of the gas industry.

Currency resources from the sale of gas to the far abroad have always been the main reliable source of revenue. These have mainly been channeled into support for production, the funding of capital investments, the purchase of equipment and materials, and the payment of taxes.

Assessing the nonpayments crisis as a statewide problem, the solution of which will require a certain period of time, the Gazprom Russian Joint-Stock Company Board is taking specific steps to ensure the stable increase of income.

The further development of the social sphere was the object of special concern for the leadership of the Gazprom Russian Joint-Stock Company in 1995. A total of 703,500 square meters of housing, children's preschool facilities with 815 places, schools with 548 places, and polyclinics for 420 appointments per shift were commissioned.

The flotation and privatization of the Gazprom Russian Joint-Stock Company's property has more or less been completed. In all, 40 percent of shares are owned by the state, and the rest are mainly distributed among Russian citizens, and partially among legal entities. Around 1 million people have now acquired shares in the company. They include inhabitants of 60 republics, krays, and oblasts in Russia, on whose territory the company's installations are located, and also workers at the company.

A depository network, involving 147 technically well-equipped regional depository centers located in towns and villages in 60 regions of Russia, has been formed by the Gazprombank with the active participation of enterprises in the company to serve the shareholders. The purchase and sale of shares via auctions has been organized in the interests of the shareholders.

The future of our sector is the future of the country for decades to come, and Russia's future and its economic

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recovery and prosperity will depend in many regards on how dynamic and effective its activity turns out to be.

Today the sector is integrating successfully in the world gas market. In the future Gazprom will play an increasing role in the domestic and international energy business, using its experience to expand possibilities for selling gas in Russia and abroad.

Russia's peaceful gas is our contribution to the construction of a new Europe, a Europe without military blocs and conflicts. The gas pipelines are threads linking Russia with European countries.

Confidence in the success of our work is not in any doubt, although it is perfectly obvious that there will still be many difficulties.

I would like to note in particular that it is first and foremost the excellent cadres of highly skilled specialists, who think in innovative ways and have the wisdom of many years' experience in the successful development of gas deposits in all kinds of natural and climatic conditions, who constitute the guarantee of reliable operations by the gas industry, and are its really invaluable asset.

I consider it to be my duty, on behalf of the leadership of the Gazprom Russian Joint-Stock Company, to express sincere gratitude to all labor collectives for their fruitful work to ensure gas supplies to the consumers, and their high level of organization and committed attitude to their work.

[Signed] Rem Vyakhirev

Russia: 'No Money' for New MiG Fighter's Development, Production

MM0205080196 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 24 Apr 96

[From the "Novosti" newscast: Video report on 50th anniversary of MiG-9 by Vladimir Polozhentsev, identified by caption]

[FBIS Translated Excerpt] [passage omitted]

[111457] [Polozhentsev over video of models of MiG fighter aircraft, design bureau premises] The Mikoyan Design Bureau continues to astound the whole world with its aircraft. No one flies higher or faster than they. Its latest work — a multirole fighter for the 21st century is currently standing in one of the hangars at Zhukovskiy. A year ago Pavel Grachev gathered a large crowd of journalists at this airfield in Moscow Oblast, promising to show them the new fighter. In the end he did not. Now it is clear why. There is no money for its completion and production.

[R. Belyakov, MiG MAPO general director, identified by caption] This applies also to our new fighter which is designed to counter all existing fighters in the world. We cannot complete it. We have not received a single ruble from the military for the whole of last year and for this year.

[Polozhentsev] You did not get anything this year either?

[Belyakov] Not a kopeck.

[Polozhentsev] Nonetheless, despite all the difficulties, it can be claimed that Russian combat aircraft are the best in the world. And they continue to be improved by those who designed the MiG-9 all those years ago. Vladimir Polozhentsev, Aleksandr Annenkov reporting for Russian Public Television from Moscow. [111603] [video shows fighter aircraft models, design bureau facilities, Belyayev interview]

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International Affairs

Ukraine: Integration into EU 'Top Priority' in Foreign Policy

LD3004204596 Moscow ITAR-TASS in English 2021 GMT 30 Apr 96

[By Mikhail Melnik]

[FBIS Transcribed Text] KIEV, May 1 (Itar-Tass) - Ukraine strives for integration into the European Union (EU) to become its full-fledged member, a Ukrainian Foreign Ministry spokesman quoted President Leonid Kuchma as saying.

"Ukrainian President Leonid Kuchma said at a session of the Parliamentary Assembly of the Council of Europe that Ukraine's integration into the European Union is a top priority of the nation's foreign policy," Mykola Maimeskul told a briefing on Tuesday.

"Ukraine would like to develop and deepen trade and economic relation with the EU," Maimeskul said in a comment on a joint session of the Ukraine-European Union committee which is scheduled for May 6 and 7 in Kiev.

The committee plan to discuss the whole range of trade and economic relations, including investment issues and nuclear material trade problems. They will also discuss the implementation of a previsionary trade agreement between Ukraine and the EU, he said.

Agreements between Ukraine and the EU have not yet taken effect, as they have not been ratified by parliaments of all EU members.

Ukraine: EU Representatives Arrive in Kiev To Discuss Financial Aid

WS0205073596 Kiev UKRINFORM in English 0750 GMT 2 May 96

[From the "Current Events" feature]

[FBIS Transcribed Text] According to a press release by the EU, the European Commission will hold consultations with the Ukrainian Government on a loan agreement and on a memorandum of understanding for a balance of payments support of up to ECU200 million (around $250 million). Experts from the European Commission arrived in Kiev on 2 May for technical discussions, to be joined on 6 May by the Director for International Economic and Financial Affairs, Mr. Joly Dixon, who will meet with Deputy Prime Minister Roman Shpek; Finance Minister Petro Germanchuk; Serhiy Osyka, minister of foreign economic relations and trade; National Bank Chairman Viktor Yushchenko; and State Property Fund Chairman Yuriy Yekhanurov. A ECU200-million loan was approved by the EU Council of Ministers in October 1995. The European Commission will conduct the negotiation of the relevant documents on behalf of the EU. A previous loan of ECU85 million was disbursed in December 1995, and the present mission is notable in that it is taking place in advance of the decision of the IMF board on the stand-by agreement with Ukraine. The EU continues to act in partnership with the international financial institutions. Nonetheless, the timing of the mission is a further democratization of the very significant support that the EU offers to the process of economic reform in Ukraine.

Ukraine: Foreign Minister: No Comment on Russian Envoy Appointment

LD3004172596 Kiev UNIAN in Ukrainian 1640 GMT 30 Apr 96

[FBIS Translated Text] Kiev — "We cannot comment on the appointment of Yuriy Dubinin as the ambassador extraordinary plenipotentiary of Russia to Ukraine, it is his country's affair," Ukrainian Foreign Minister Hennadiy Udovenko noted to journalists. He said that "Yuriy Dubinin is a highly qualified diplomat who knows Ukrainian affairs well." Udovenko said that an official note has been received from the Russian Foreign Ministry concerning the appointment, requesting the acceptance of Yuriy Dubinin, and "this matter is now being considered in the established manner in accordance with internal procedures." When asked by journalists whether acceptance by Kiev is probable, Udovenko noted that he is refraining from any comment on this matter.

Ukraine: Rukh Leader Criticizes Ukrainian Involvement in Minsk Rally

LD0105150996 Kiev UNIAN in Ukrainian 1235 GMT 1 May 96

[FBIS Translated Text] Kiev — Ukrainian People's Movement [Rukh] leader Vyacheslav Chornovil believes that the actions of Ukrainian National Assembly members at the rally in Minsk compromised all Ukrainians as "insatiable revolutionaries."

Ukrainian national democrats do not want Ukrainians to be accused of "exporting revolution" to Belarus, he told the UNIAN news agency. According to him, Rukh did not send any of its representatives to the rally in Minsk on 26 April and did not receive a single invitation from the Belarusian national democratic forces to take part in this action.

Vyacheslav Chornovil stressed that three or four Rukh members who were in Minsk on that day took part in the protest action at their own wish. At the same time, he emphasized that Ukraine's right-wing forces support and will continue to support the Belarusians, but only by ideological campaigning against pro-communist forces.

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National Affairs

Ukraine: Moroz Attends, Speaks at May Day Celebrations

WS0205073496 Kiev UKRINFORM in English 0750 GMT 2 May 96

[From the "Current Events" feature]

[FBIS Transcribed Text] As UKRINFORM's metropolitan correspondent reported, on Wednesday, May 1 over 3,000 marchers paraded in a close column from Slava Square ("Glory Square") to Kiev's European Square to hold a mass rally nearby the "Ukrainian House." The predominantly elderly people and members of the Communist and Socialist Parties of Ukraine were joined by activists of such public organizations, as the All-Ukrainian Workers' Union, "Labor Ukraine," and the "Movement for the USSR". Small wonder, their slogans and demands could be reduced to "No to the Autipopular, Bourgeois Constitution and to Plundering Reforms."

The speakers accused the authorities of having brought the nation to its present pauper status.

Oleksandr Bondarchuk, the All-Ukrainian Workers' Union's executive council chairperson, called for taking over political power, abrogating private property, nationalization of banks and industrial enterprises and for "expropriating expropriators," which calls were met by the rally's nearby applause.

Socialist leader and Supreme Council Chairman Oleksandr Moroz took the floor to give a brief description of the current sociopolitical and economic situation in Ukraine, which he called a complicated one and making one speck [as received] about the necessity to change the state's course.

Oleksandr Moroz also pointed to a serious international threat to Ukraine in view of the latter's initiative in nuclear disarmament having failed to elicit the West's adequate material support.

The Ukrainian Socialist leader also accused NATO of failing to take into account East European nations' view of its eastward expansion plan.

Touching on the constitutional process in Ukraine, Oleksandr Moroz stressed that the draft Constitution's publication had been made without the Supreme Council's relevant decision.

Mr. Petro Symonenko, the Ukrainian Communist leader, focused on revelations and accusations leveled against the "anti-democratic regime" and against the "anti-popular constitution." The Communist leader went as far as calling today's authority in Ukraine an "interim occupant regime."

The Taras Shevchenko monument and the St. Sophia Cathedral were the starting point and the venue of a counter-rally which the city's nationalist-democratic forces led by the People's Rukh of Ukraine staged on May 1.

Rukh leaders Vyacheslav Chornovil made a speech at the rally, in which he referred to the draft Constitution of Ukraine as a battlefield with the Ukrainian State at stake between the procommunist-proimperial forces, on the one hand, and the nationalist-democratic forces, on the other.

As the Rukh leader noted, Ukraine remains the only post-communist state with no Constitution of its own, which makes Ukraine's enemies say the nation has not made its choice and so may return to the idea of the Ukrainian Soviet Socialist Republic and the socialist system of economic management.

Mr. Chornovil also called to ban the Communist Party of Ukraine for what he termed as its anti-state trends.

Other speakers at the rally, in particular, Yaroslava Stetsko, Roman Zvarych, Volodymyr Mulyava, Bogdan Taroshynskyy, Oleg Osokin, Yevhen Pronyuk, and Alena Pashko called for the new Constitution's prompt adoption, and voiced resolute protests against attempts to include Ukraine in the "novel Russian Empire" as well as their solidarity with the Belarusian Popular Front and the national liberation movement in Chechnya.

Ukraine: Moroz: NATO Expansion May End Lowered Nuclear Confrontation

LD0105114096 Moscow ITAR-TASS in English 1057 GMT 1 May 96

[By Raisa Stetsyura]

[FBIS Transcribed Text] KIEV May 1 (Itar-Tass) — The lowering of nuclear confrontation may be halted with NATO's eastward expansion, believes speaker of the Ukrainian parliament Oleksandr Moroz. Moroz, the leader of the Socialist party, said this at the May Day rally of the Communist and Socialist parties.

Moroz expressed concern with indefinite spread of NATO. He believes that in this connection there is a need to convene an international conference on security and cooperation in Europe which will discuss specific features of the region and interests of newly-formed states. The forum should guarantee their security, the speaker of the Ukrainian parliament believes.

Moroz urged representatives of the authorities, political parties and organisations of Ukraine and foreign countries to urge the public to come out for holding such a conference in Kiev.

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Ukraine: Thousands Attend May Day Rallies in Ukrainian Cities

LD0105122496 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 1 May 96

[FBIS Translated Text] May Day rallies were held today in many of Ukraine's cities and villages in response to an appeal by the congress of the Federation of Trade Unions. They called for unity among working people for the sake of a better life.

A public march and rally was held in Dnepropetrovsk. Trade union members were joined by political parties and movements.

In Kirovograd, the May Day procession was joined by war and labor veterans. Rallies in Nikolayev and Odessa adopted appeals to the country's leaders for improvement in living standards.

Slogans such as "Reforms To Benefit People," "Pay Wage Debts," "Social Protection for Young People and Pensioners" dominated the multithousand gatherings, the Ukrainian Federation of Trade Unions reports.

Ukraine: No Violations of Civic Order Reported on May Day

LD0105145096 Kiev UNIAN in Ukrainian 1235 GMT 1 May 96

[FBIS Translated Text] Kiev — Approximately 22,000 militia personnel were involved in ensuring civic order at the May Day demonstrations and rallies. Ukrainian Deputy Internal Affairs Minister Leonid Borodych told UNIAN that "the state of law and order in Ukraine on 1 May was satisfactory, and there were no excesses at the mass meetings nor an exacerbation of the crime situation." According to him, the internal affairs bodies' preventive work helped in this.

The Ukrainian Internal Affairs Ministry expressed its gratitude to the citizens of Ukraine for the mutual understanding and restraint shown at the May Day political events.

Ukraine: Kharkov Rally Speakers Urge Resistance to Kuchma

LD0105141196 Kiev UNIAN in Ukrainian 1235 GMT 1 May 96

[FBIS Translated Text] Kharkov — Trade union associations and left-wing parties held a May Day procession and rally in central Kharkov. Around 10,000 mostly elderly people marched to the rally, carrying red flags.

Speakers, including parliament deputies Volodymyr Mukhin, Leonid Harmash, and Ivan Symonenko urged the people of Kharkov to voice no confidence in the Ukrainian president and called for his resignation. Leonid Stryzhko, secretary of the Communist Party of Ukraine [CPU] regional committee, proposed an action of mass resistance to the president's draft constitution. According to Alla Aleksandrovska, regional council deputy and CPU regional committee secretary, the action would take the form of a "nationwide strike."

Other speakers called for strike committees to be set up at enterprises by 20 May in order to organize rallies at enterprises' front doors on 5 June so as to campaign against the new constitution.

Some 2,000 joined a rally organized by the People's Movement of Ukraine [Rukh]. Its speakers said that a public committee has been set up in the city involving 10 political parties and organizations which launched a signature-raising campaign in support of the new constitution and a ban on the Communist Party.

Ukraine: 2,000 Join May Day Rally in Sevastopol

LD0105121096 Kiev UNIAN in Ukrainian 0950 GMT 1 May 96

[FBIS Translated Text] Sevastopol — A rally held on May Day by the Sevastopol city trade union committee and attended by the city's labor collectives and organizations protested against "the policy of solving state economic problems at the expense of working people."

The rally put forward several economic demands, including the payment of wages, pensions, and student grants on time and an end to the rise in prices for basic products, and called for a referendum on the main principles of the constitution.

The rally appealed to the Ukrainian and Russian presidents for a settlement of the Black Sea Fleet and the status of Sevastopol.

Speaking at the rally, held in the city's Nakhimov Square, Crimean Supreme Council deputy Oleksandr Kruhlov expressed the hope that Black Sea Fleet Commander Viktor Kravchenko will urge fleet personnel to vote for Gennadiy Zyuganov in the Russian presidential election, and that the people of Sevastopol will "do everything in their power to change the present government and system in Ukraine."

The rally refused to allow Mykola Hlushko, deputy chairman of Sevastopol City State Administration, to speak and he was forced to leave the square.

The rally was attended by 2,000 people, according to the Ukrainian Ministry of Internal Affairs directorate in Sevastopol.

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Ukraine: Spokesman Denies Rumored Explosion at Chernobyl

LD0105123396 Kiev UNIAR in Ukrainian 1130 GMT 1 May 96

[FBIS Translated Text] Kiev — Following the rumor of an explosion at the Chernobyl nuclear power station, which supposedly occurred last night, the duty officer at the state nuclear inspectorate made the following comment at the request of a UNIAR correspondent: "At 1720 [1420 GMT] on 30 April, the power of generating set No. 1 at the Chernobyl nuclear power plant was reduced to 70 percent, or 2,240 megawatts, because of a 'prism' miscalculation. At 2030 on the same day the error was rectified, and by 0040 on 1 May the power was at the permitted level — 2,560 megawatts."

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Belarus

Belarus: Military Official Says CFE Commitments Will Be Met in May

WS3004115496 Minsk BTK Television Network in Belarusian 1800 GMT 26 Apr 96

[Announcer-read report]

[FBIS Translated Text] By the time a conference summing up the results of the implementation of the Conventional Forces in Europe [CFE] Treaty is held in Vienna in the second half of May, our Republic is going to meet all its commitments. This has been stated by Major General Yuryy Partnow, military policy adviser to the Belarusian defense minister.

For economic reasons, our Republic did not manage to meet all its commitments on time, and thus the deadline for destroying weapons was postponed until 26 April 1996. Yet, Belarus has not managed to liquidate 100 armored vehicles by this deadline either.

According to Yuryy Partnow, the Belarusian Defense Ministry is currently studying a few options for destroying the military equipment, according to which the expenditures will be reduced to a minimum. One way or another, Belarus should not end up among states which have not met their commitments arising from the CFE treaty.

Belarus: Council of Europe May Consider Belarus Membership

WS0205080796 Minsk Radio Minsk Network in Belarusian 0700 GMT 2 May 96

[FBIS Translated Text] In late 1996 or early 1997, Belarus will be presented with a chance to enter the Council of Europe. This was declared by Yuryy Malumaw, Belarusian Supreme Soviet deputy chairman, who led a Belarusian parliamentary delegation that participated in the council's parliamentary assembly organization in Strasbourg. The essence of statements by [word indistinct] Council of Europe leaders during bilateral meetings, Yuryy Malumaw noted, can be boiled down to the following: the foreign policy of the Belarusian Republic is multifaceted. Recently, progress has been achieved in its eastward direction. To balance it, progress should also be made in its western direction.

Belarus: Border Cooperation With Poland Viewed

WS0105140096 Minsk SVABODA in Belarusian 26 Apr 96 p 3

[Article by Syarhey Astrawtsow: "Shaking Hands Through Barbed Wire"]

[FBIS Translated Text] **The Belarusian-Polish intergovernmental commission for border cooperation was formally set up on 23 April 1992. However, for its first meeting it convened four years later in Hrodna. The Polish side was represented by Foreign Economic Cooperation Minister Jacek Buchacz, and the Belarusian side was represented by Foreign Trade Minister Mikhail Marynich. Also held was the first working meeting: two subcommissions were established — one for border and the other for regional cooperation. The next meeting of the intergovernmental commission will be held in Poland in a year.**

The Belarusian government had searched for economic luck in Russia in vain for as long as four years, until it occurred to them that it is also useful to cooperate with the Poles. During a news conference, however, Mr. Marynich refused to answer the question as to why the establishment of the commission lasted so long. He only explained that he and Minister Buchacz have held their offices only for a year and a half.

The barbed wire which separates us only from Poland evidently has an impact on the mentality of officials. After all, it was not for nothing that one of them — a subcommission member from the Belarusian side — called the Polish Republic the Polish People's Republic, and did not even notice the blunder. The guests were tactfully silent, and only a Polish journalist who sat near me caustically noted that such a country no longer exists.

In general, the meeting began with what almost became confusion: the Polish flag was put on a table upside-down, and only owing to journalists was the mistake corrected at the last moment. And what were the white lilies, bought for 3,000 rubles each, supposed to mean? According to Soviet tradition, they were given to the newlyweds, but in European countries these flowers are most often bought for funerals. Nonetheless, all other details were correct. There was enough mineral water on the tables, plus Marlboro and Camel cigarettes and Belarusian matches for smokers.

Nevertheless, relations between the two countries have developed in far from the worst manner, owing to their proximity. A Belarusian cannot bypass Poland if he travels to Europe. The same happens with Poles traveling to Russia and further east: the shortest route

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goes through Belarus. The Polish Republic comes fourth in our foreign trade, without taking into account the post-Soviet countries. However, Poland dropped to fifth place among foreign partners of the border oblast of Hrodna. Although there are 79 Polish-Belarusian joint ventures and 22 purely Polish companies in the oblast, their turnover is still low.

As for Poland, just the opposite, it has given all its attention to Western markets during the past few years. According to Minister Buchacz, over 100,000 Polish economic entities operate on the world market. Their performance is quite good, and from 1993 to 1995 Poland's foreign trade increased from $142 million to $407 million. It seems that having taken long-terms positions on Western markets and having utilized most of their possibilities in this direction, the Poles are currently seriously focusing attention on the Belarusian market. Until the year 2000, they will maintain a 10-percent increase in foreign trade. For example, a joint Polish-Belarusian bank will be set up to implement border cooperation projects with our country.

It seems that the Belarusian side has finally become aware of the importance of the Polish "card" in its economic and political games. It was not for nothing that during his recent meeting with Aleksander Kwasniewski, Alyaksandr Lukashenka complained that in the West he is "not known well as a politician," and thus Poland's brokerage would not be useless in contacts with Western countries. According to Mr. Marynich, Belarusian-Polish border relations not only concern the two countries, because this issue is important for all of Europe. Therefore, the commission decided to suggest that the two governments apply to the EU for financial support for their cooperation, in particular to create the "Nyoman" Euroregion.

The idea of creating this Euroregion was recently endangered due to the scandal surrounding the transport corridor between Belarus and Russia's Kaliningrad Oblast via Poland, which was initially planned to be the main thoroughfare of the "Nyoman." The intergovernmental commission announced in Hrodna that the zone of economic cooperation among the four neighboring countries — Poland, Belarus, Russia, and Lithuania — would definitely be created. Moreover, it was stated that this idea would make no sense without Belarus. Specific documents should be ready by the third quarter of this year.

Thus, there will be no transport corridor. Instead, the Polish government earmarked 30 million zlotys ($12 million) to set up border crossings on the Polish-Belarusian border. This is exactly as much as the Poles spent last year on all of their borders. The two ministers noted that although new crossings will later be created, the current goal is to make travel across the border easier at the current crossings. It was Mr. Marynich who repeated this particularly persistently. This was quite strange, given that truck drivers often go on strike on the Polish side of the Berastavitsa-Bobrowniki border crossing, because Belarusian customs officers work very slowly and hold them at the border for a long time. Moreover, this occurs at a crossing which recently reopened following reconstruction. Then what can be said about the rest?!

Frankly speaking, the economic cooperation region seems to remain in the sphere of projects. So far, nobody can answer whether a Hrodna citizen will be able to travel to Bialystok and easily find a job there. We, the residents of the region, are so far being promised easier travel within its borders. Will Lithuania really abolish visas which we are currently required to have? Our minister says that no border should exist there, and efforts should be made to liquidate any bureaucratic "roadblocks." It seems that we want to create jobs, but some local bureaucrat is hampering us, so we should apply to the organizational committee of the Euroregion. Does it mean that I can complain about an official from Hrodna to the organizational committee which is located abroad — in Suwalki? It is hard to believe this.

It is significant, however, that our government, which until recently was tightening control at the Polish and Lithuanian borders, is currently ready to take just the opposite steps, as one should presume. The fact that they managed to quickly come to terms with the Poles and the latter requested that the news conference be held two hours earlier provides grounds for optimism. May it not prove that all these agreements remain only on paper again.

Belarus: Note Handed to Ukraine's Envoy Over Nationalist Involvement

WS0205082796 Minsk BELAPAN in English 0632 GMT 2 May 96

[FBIS Transcribed Text] Minsk, 1 May — On April 30 Belarus' foreign minister Uladzimir Syanko met with Vladimir Zheliba, Ambassador Extraordinary and Plenipotentiary of Ukraine to Belarus. The main subject of the talks was the April 26 events and the participation of members of the Ukrainian nationalist organisations in them. Mr Syanko handed the ambassador an information note addressed to the Ukrainian foreign ministry. The note in particular reads that "the aggressively minded BPF [Belarusian Popular Front] leaders who lost the elections to the legal organs of power have set for themselves to aim to draw people's attention to them by extreme actions, using the anniver-

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sary of the Chernobyl tragedy. The enlistment of the aid of Dudayev's combatants and the most bellicose members of the extreme nationalist Ukrainian organisation UNA-UNSD [Ukrainian National Assembly-Ukrainian National Self-Defense] is evidence that the tasks of the demonstrators were to forcibly break calm and peace which exists in Belarus, hinder the process of reforms, and put up organised resistance to the legally elected organs of power."

Belarus: Lukashenka Scolds Officials for 26 Apr Rally Actions

WS0205075396 Minsk BELAPAN in English 0632 GMT 2 May 96

[FBIS Transcribed Text] Minsk, 1 May — According to a reliable source, at a closed conference on the morning of April 30 President Alyaksandr Lukashenka gave a negative assessment to the activities of the Ministry of Internal Affairs which, in his opinion, failed to take adequate measures against participants of the Charnobylski Shliakh action. The President severely criticised Uladzimir Matskevich, Chairman of the State Committee for State Security, and Leonid Yeryn, Deputy Minister of Internal Affairs. Alyaksandr Lukashenka declared them personally responsible for the fact that they allowed the Belarusian Popular Front leader, Zyanon Paznyak, to leave the country without hindrance. Attorney General Vasil Kapitan was also subject to criticism. The President named him: "a BPF protege." Alyaksandr Lukashenka demanded that the Attorney General submit the necessary documents to the Supreme Soviet so that legislators will give consent to making MPs Henadz Karpenka, Stanislaw Shushkevich, Pavel Znavets and Alyaksandr Dabravolski answerable according to the Criminal Code.

Belarus: Front Leaders Hold News Conference on 26 Apr Events

WS0205083196 Minsk BELAPAN in English 0632 GMT 2 May 96

[FBIS Transcribed Text] Minsk, 1 May — The April 26 events and their consequences were the subject of a news conference which was held at the Belarusian Popular Front headquarters on the afternoon of April 30. The news conference was attended by Vintsuk Vyachorka and Lyavon Barshchewski, BPF deputy chairmen who were discharged that day from custody, as well as two other BPF deputy chairmen, Stanislaw Husak and Valyantsin Holubew, and the secretary of the BPF Board Valyantsin Astashynski. While this news conference was being held, in the other rooms of the BPF headquarters a search was conducted by representatives of the Prosecutor's Office and militia. As a result of this search, a number of documents of minor importance, according to representatives of the BPF leadership, were confiscated. Vintsuk Vyachorka was discharged in accordance with a resolution by the Minsk-City Prosecutor's Office for a lack of evidence. As for Lyavon Borshchevsky, his deputy's inviolability status, which ex-deputies to the Supreme Soviet reserve for themselves during the two years following the expiration of the term of office, may have been the key to release.

During the news conference other people who had to go through detentions, militia reception centres and courts told reporters about their misadventures. Among them were Iryna Vazhnik, who was detained near the GUM department store on April 26, and Candidate of Philology Yazep Yanushkevich, who was unmercifully beaten while in detention. It was pointed out at the news conference that among the grounds for detention that day was even the speaking of the Belarusian language. For instance the radio journalist Uladzimir Dzyuba who did not take part in Charnobylski Shliakh, returning home from work failed to get to the metro station on Independence Square. The metro station's entrance was blockaded by militiamen. Uladzimir Dzyuba entered into an argument with them, using the Belarusian language. This was enough for him to find himself at first at the Department of Internal Affairs of the Tsentralny district of Minsk and then in the city militia reception centre where Mr Dzyuba has been kept now for four days. Many participants at the news conference pointed to the brutality of special units of internal troops, whereas militiamen and members of militia detachments for special missions acted relatively humanely. Stanislaw Husak said that the BPF had information that members of Russian special services had also taken part in repression operations. Valyantsina Zimnitskaya, the wife of Yuryy Khadyka, a BPF deputy chairman who is still in custody, said that an accusation may be brought against him one of these days in accordance with Article 186 of the Belarusian Criminal Code. On April 30 Mr Khadyka was kept in the pre-trial prison located on Valadarski Street in Minsk. The fate of the executive secretary of the BPF Board, Vyacheslaw Siwchyk, who was detained on the evening of April 26, still remains unknown.

As was pointed out at the news conference, the present repressions, comparable with those in the Stalin-Tsanava times, demand that the BPF set up organisations which will deal with the protection of human rights.

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Belarus: Rival Groups Hold May Day Rallies in Minsk

LD0105140296 Moscow INTERFAX in English 1209 GMT 1 May 96

[FBIS Transcribed Text] MINSK, May 1 (Interfax-West) — A rally of Belarusian trade unions and an alternative action of the opposition Belarusian Popular Front are held in the capital of Belarus to mark the Labor Day (May 1).

The march along the Minsk central avenue and the rally on Independence Square in front of the government house were authorized.

An Interfax correspondent reports from Minsk, march participants moved towards Independence Square from various boroughs of the city under the flags of official trade unions and the Movement for Social Progress and Justice, which unites 18 public-political organizations of socialist orientation.

Some 35,000 supporters of leftist public-political organizations gathered near the government house, according to the Belarussian Interior Ministry.

The alternative rally and march were organized by the opposition right-radical Belarusian Popular Front. Some 5,000 people gathered on Yakub Kolos square to demand resignation of President Alyaksandr Lukashenka and his government.

Two police cordons separated the rallies in order to prevent clashes.

At 11 a.m. about 500 participants in the opposition rally headed by social-democratic movement leader Nikolay Statkevich tried to get to Independence Square, but were stopped by police cordons for fear of clashes.

Representatives of the Belarusian Popular Front Boris Gyunter and Valentin Golubev told Interfax Statkevich's appeal to go to Independence Square was a provocation.

Reinforced police patrols are placed in Minsk parks and public gardens where some rally participants went after the rallies.

Moldova

Moldova: INFOTAG Publishes Poll Results on Sociopolitical Situation

AU0105170796 Chisinau INFOTAG in English 1958 GMT 30 Apr 96

[FBIS Transcribed Text] Chisinau, April 30 (INFOTAG) — The Independent Information-Analytical Service Opinia of Chisinau and the International Foundation for Electoral Systems (IFES) made public at today's press conference the findings of their opinion poll, which they called "The Social-Political Situation in the Country and the Future of Moldova."

The survey was conducted in February and March 1996 on a nation-wide representative sample design, and covered 1,487 respondents in all Moldovan districts, except the Dniestr region.

According to Mr. Dorin Tudoran, director of the IFES bureau for Moldova and Romania, the poll findings generally reflect the moods which existed in the Moldovan society in the year beginning. The knowledge of the "society temperature" is useful for everybody — for grassroot citizens and authorities, for voters and those being voted for, he remarked.

The poll covered four big blocks of questions, and answers have been grouped accordingly.

Block 1: Public Sentiments

About 70 percent of residents believe the current social-political situation is "bad" (56 percent) or "very bad" (13.4 percent,) and only 17 percent consider it as "good."

When asked to single out a social-political process which dominates in the Moldovan society, over half of the respondents (55 percent) said the republic is plagued by lack of order and by anarchy. Twenty-five percent of people presume the republic lives under the old-time system decorated with new labels. And only 8 percent of Moldovans believe the country is dominated by a society democratization. Eighty-two percent of the respondents are satisfied with the level of democracy in Moldova.

Twenty-nine percent presume the situation will aggravate in the near time, 17 percent foresee improvements, and 38 percent anticipate no changes.

Block 2: Social Policy and Social Institutions

Most respondents are dissatisfied about the activities of the country's basic institutions. They particularly dislike the work of the Parliament (67 percent,) local power bodies (65 percent,) and the government (61 percent.) Almost 57 percent are dissatisfied with the work of trade unions, courts, prosecutor's offices, and state security organs, and 49 percent with the president. The respondents are, generally, rather dissatisfied about the activities of religious organizations (63 percent,) and the press, radio, and television (58 percent.)

Only 4 percent of Moldovans believe that in everyday life the Moldovan leadership (president, Parliament, and government) take into consideration the people's opinion at taking important decisions. An absolute

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majority of the respondents (88 percent) presume it is very often that the leadership does not take the opinion into consideration (44 percent,) or never does it at all (44 percent.)

Sixty-eight percent are convinced that parties and political movements do not influence the activation of population's political and social activities, because the population is absorbed in their own everyday problems.

Thirty-six percent of the respondents said it would be good for the republic to have only one political party, 7 percent of residents think there is no necessity to have any parties at all, 23 percent favor the existence of several parties, 13 percent stand up for two parties only, and 5 percent wish the republic to have as many parties as possible.

The poll results indicate that if Moldova held parliamentary elections now, 16.5 percent of the electorate would vote for the Democratic Agrarian Party of Moldova, 10.6 percent for the Communist Party, with all other parties favored by less than 5 percent respondents. At the same time, 24 percent of people would not go to the polling stations, and 15 percent failed to formulate their political choices.

Block 3: Dniestr Conflict

Thirty-seven of 100 respondents believe that the Dniestr conflict settlement is mostly obstructed by the Dniestr residents' fear of a possible Moldovan-Romanian unification, 28 percent blame the Dniestr leaders' ambitions and reluctance to lose power in that region. About 16 percent believe the conflict settlement is being blockaded by Russia, 1.3 percent by Romania, and 0.2 percent by Western countries.

Forty-five percent consider as erroneous the official Chisinau's stance concerning the Dniestr settlement, and 31 percent say the stance is justified.

Sixty-two percent still believe the Moldovan territorial integrity can be saved, and 21 percent say the chance has been missed forever.

Block 4: The Future of Moldova

Comparing the present-day Moldovan society with the one in 1990, most respondents (79.3 percent) presume the current society is worse than before, and only 7 percent think it is better.

The idea of restoring the Soviet Union or founding a new state within the ex-USSR boundaries has split the Moldovan society into two equal groups: 48 percent of the respondents back the idea, and 48 percent reject it.

Almost half of the people (49 percent) presume Moldova may only flourish economically in case of closer ties with the CIS, 31 percent with European economic mechanisms, and 4 percent with the Black Sea Economic Cooperation.

Thirty-eight percent Moldovan citizens guess that for ensuring a greater national security Moldova needs to have closer contacts with the CIS collective security structures, 25 percent stand up for Moldova's neutral status, and 18 percent for closer links with NATO.

Speaking about the future of the Republic of Moldova, 50.4 percent said the country should be sovereign and independent state in the CIS framework, 4.9 percent dream to get unified with Romania, and 37.3 percent want Moldova to be an absolutely independent and sovereign state.

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Tajikistan

Tajikistan: Rakhmanov Praises Five-Nation Agreement

LD2904122296 Moscow RIA in English 1114 GMT 29 Apr 96

[By RIA Novosti correspondent Nadjimin Azizov]

[FBIS Transcribed Text] DUSHANBE, APRIL 29. RIA NOVOSTI — Tajikistan's President Emomali Rakhmanov noted the importance of the multilateral intergovernmental agreement on strengthening confidence measures in the military sphere, in the border region, which was signed on April 26 in Shanghai by Presidents of the five adjacent states — Russia, Kazakhstan, Kyrgyzstan, Tajikistan and China. Rakhmanov said that the signing of this document is not only of great importance for strengthening security, preservation of tranquillity and stability in the border region, development of long-term and stable relations of good-neighbourliness and friendship among these countries, but it also makes a great contribution to the cause of maintaining peace in the Central Asian region. RIA Novosti learnt this from Zafar Saydov, press-secretary of the Tajik President. He noted that, according to the Tajik leader, the agreement takes into account both the realities of each side and the interests of their national security.

Tajikistan: Trade Accord Signed With Afghanistan's Badakhshan Province

LD0105132196 Dushanbe KHOVAR in Russian 0533 GMT 30 Apr 96

[FBIS Translated Text] Khorog, 29 Apr — Last Friday [26 April] will become a memorable day in the history of mutual relations between two close neighbors — the people of Badakhshan Province in the Islamic State of Afghanistan and the people of the Gorno- Badakhshan Autonomous Region of Tajikistan. In Khorog, on the evening of 26 April, Colonel General Nazhmeddin Vosit, a commander from southeastern Badakhshan in Afghanistan, and Alimamad Niyozmamadov, chairman of the Gorno-Badakhshan Autonomous Region, signed an agreement on opening joint border trading. According to the agreement, the first trade centers are soon to open their doors wide in Khorog, Kalai-Khumb, and Ishkashim. Those who signed this important agreement also focused on strengthening state borders on the River Pyandzh and on stepping up the joint struggle against the smuggling of weapons and drug trafficking. The parties reached an agreement on joint implementation of promising projects and programs to build roads and develop healthcare, public education, and the energy sector.

Lieutenant General Pavel Tarasenko, commander of Russian border troops in Tajikistan, also took part in the signing ceremony.

Tajikistan: Russian General Warns on New Rebel Offensive

LD3004120496 Moscow Russian Television Network in Russian 0400 GMT 30 Apr 96

[From the "Vesti" newscast]

[FBIS Translated Text] The worsening of the situation on the Tajik-Afghan border was the reason behind the meeting on Monday between Pavel Tarasenko, commander of the Group of Russian Borderguards in Tajikistan, and Said Nazhmeddin, commander of the army of the southeastern sector of Afghanistan:

[Correspondent T. Logunova, reporting from Dushanbe] The meeting at the Khorog borderguard detachment base — Russian General Pavel Tarasenko reported detailed reliable information to the Afghan borderguard commissar to the effect that the leader of the Tajik Islamic opposition has begun launching a protracted partisan war in Tajikistan. To this end, activity aimed at amassing the forces of the armed opposition on the territory of Afghanistan has been stepped up. The commander of the Russian group has information to the effect that the Badakhshan sector will be the most likely sector for an offensive by fighters in the first half of May for the purposes of crossing the border and penetrating deep into Tajikistan, to Tavildara. Lieutenant General Pavel Tarasenko said that armed groupings would be suppressed both on the approaches to the border on neighboring Afghan territory and as they crossed the border and penetrated into the rear.

Col. Gen. Said Nazhmeddin, commander of the army of the southeastern sector of Afghanistan, said that he would take every measure to prevent an escalation of tension on the border and said he hopes for more frequent contact with Russian borderguards. [Video shows meeting, two Russian broderguards running near border, other Russian borderguards travelling in military vehicle, correspondent interviewing Afghan general]

Tajikistan: Opposition Leaders Divided on Approaches to Change

LD0205101696 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 1 May 96

[Station commentary: "Differences among the opposition"]

[FBIS Translated Text] The world media have been carrying contradictory reports and information about the

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activity of the Tajik opposition lately. Some news agencies think that there is a lack of mutual understanding within the opposition, especially among their leaders. The differences which exist among them are preventing them from coming closer to each other and to other forces which share their views of society.

We have received the third issue of the MINBAR-I ISLOM magazine which published an editorial entitled "The ups and downs of the jihad". Two well-known people, [opposition chief negotiator Haji] Akbar Turajonzoda and [Islamic Movement leader] Sayed Abdullo Nuri, were described in particular in this article. It is necessary to mention that these two people are well-known both inside and outside the republic. However, only a few people know that there are differences of opinion between them. Their differences were explained very clearly in this article.

According to this article, Akbar Turajonzoda wants to acquire more influence. The article says that in reality Turajonzoda and his followers, sensing victory and opportunities, are attempting to enter the new government in order to annihilate their adversaries in some way. Turajonzoda, who is a good master of intrigues and provocations, is completely losing his abilities. He is setting military commanders close to him against Nuri. It follows from this that a divergence of opinions between them emerged very early. However, they used to be close to each other, thanks to their eagerness for posts and wealth.

Undoubtedly, the people of Tajikistan remember well that Akbar Turajonzoda, the former mufti of the Muslims of Tajikistan, as a people's deputy of the Supreme Council was against the creation of the Islamic Movement. This point was mentioned in the article, too. He said in various circles that Islam did not need any political party. However, when he lost his prestige among the republic's leaders at the time, his desire for office increased greatly. He changed his views and acted against his sayings. He joined the Islamic Movement. He is now considered a leader of the armed Islamic Movement. He often makes speeches in various circles in order to promote his own success. It follows from his speeches that he is opposed to [word indistinct] the present government of Tajikistan. In each speech he makes, he throws stones at the present government, regardless of whether they are relevant. This is very clear to most of the people. However, his difference of opinion with Sayed Abdullo Nuri, who is considered his leader, was not clear to the majority of people. In reality, he is an ill-willed and profit-seeking person, and he cannot be a real friend.

Since there is a serious divergence between these two opposition leaders, it is rather inappropriate to talk about the unity of the opposition — because how they can unite when they have differences? It also follows from this article that in reality, Akbar Turajonzoda does not enjoy the same respect as Sayed Abdullo Nuri as a Tajik mujahed in Afghanistan and in other foreign countries. He is materially supported by foreign countries, whose circles are close to him and whose intentions he is implementing. It is no secret to anybody in Tajikistan what Turajonzoda and his companions wanted and what they want now. Those people who recognized him as a leader before do not respect him now.

The article says clearly in conclusion that the opposition never wants to have the same fate as its Afghan brothers, which is being sought by Turajonzoda and his adherents. Nobody in Tajikistan even wishes to remember that. Therefore, our people will be more united and our compatriots outside the country will return to their previous homes and will make efforts for the country's prosperity, and those intriguers will not attain their goals.

Uzbekistan

Uzbekistan: Official Reviews Space, Conversion Projects

LD0205094496 Tashkent BIZNES VESTNIK VOSTOKA in Russian 26 Apr 96 pp 1,2

[FBIS Translated Text] The universe is closer if Uzbekkosmos [Uzbek space agency] is with you. The director general of the Koynot [space] scientific production association, Academician Shavkat Vakhidov, has given an interview to a BIZNES VESTNIK VOSTOKA [BVV] correspondent.

The citizens of Uzbekistan justifiably consider that the road to space passes not far from their threshold: it is less than a day's journey to Baykonur [space launch center in Kazakhstan]. The inhabitants of Tashkent Region, where one of the heroes of space, [Soviet cosmonaut] Vladimir Dzhanibekov, was born, are very close to space.

In December 1992, when our young country was just determining its priorities, the Uzbek state agency for space research, Uzbekkosmos, which is led by Director General Kamol Musayevich Muminov, was set up by presidential decree. In a comparatively short period, Uzbekkosmos has managed do to the main things: a relatively small but top-class scientific, technical, and production potential has been formed. Uzbekkosmos has today united the best forces that used to work on space matters, including the designers of the Koynot scientific production association, who developed units for Salyut and Mir and whose apparatus has been used on the moon, Venus, and Mars.

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Uzbekkosmos includes the Granit Directorate, which had its own plot of land at Baykonur — especially responsible work on the assembly and technological back-up for the launch complex was conducted there. Unprecedented special-purpose information and analysis complexes were developed at the Tashkent space industry scientific research institution.

"One could spend a long time enumerating our achievements, but that is hardly necessary, for the simple reason that Uzbek specialists' research into space was always under the intent attention of our colleagues and competitors abroad. We are always for cooperation, but we are not going to yield our leading position to anyone," the director general of one of the main sections of Uzbekkosmos, the Koynot scientific production association, Shavkat Akhatovich Vakhidov, smiles.

The first academic and practical conference, entitled "Space Research, Technology, and Conversion," has just ended at Uzbekkosmos. The results of the conference and the discussions held there were a good reason for Shavkat Vakhidov's conversation with a BVV correspondent.

"Uzbekkosmos's last year ensured the stabilization of the production, financial, and economic situation of both the whole agency and our scientific production association. We worked actively on implementing the state's applied space research programs. A large amount of work was done, for example, on creating a warning system for emergencies. In particular, a communications relay satellite for organizing a communications channel has already been defined, and we have found the opportunity to organize reception of information through this channel from a computerized control point this year," Academician Vakhidov opened. "Last year we started work on creating an ultra-modern complex to receive and process satellite information. Progress in space technology has always moved ahead of technology on earth - and today we are paying great attention to 'space conversion:' the space sector is tackling specific economic tasks - the volume of work on this program amounted to 3,256,300 soms."

[BVV] Shavkat Akhatovich, what can you say today about the creation of a satellite communications system for our country?

[Vakhidov] This program has been entrusted to the Granit Directorate at the Uzbekkosmos agency. At present, we are using three land-based satellite communications stations and several stations for local systems. They all work through the Gorizont and Intelsat satellites. Since we are not the owners of the satellite but just users, we have little income from the use of this system. This has made it necessary to have our own or at least a joint satellite communications system, work on which is under way now. Taking account of our requirements, a system has been chosen on the basis of the geostationary satellites Copernicus (Europe) and Zerkalo (Russia), which can serve land-based stations with antennae no larger than 2.5 meters. Uzbekkosmos is hoping that the system which we are proposing will be highly profitable.

[BVV] At present, many countries are creating various types of systems for monitoring emergencies. As civilization has developed, this problem has become very urgent, since the development of technology and growing human intervention in the environment can lead to heavy human and material damage in the event of an accident or a natural disaster...

[Vakhidov] I can say that today we have a real opportunity to clarify the factors which precede or spark off emergencies. The Koinot scientific production association is developing a system to monitor the condition of potentially dangerous sites and even give a "case-by-case" forecast using a relay satellite. In the future we might combine this system with ecological monitoring and hydro-meteorological control.

[BVV] Satellites have always been used actively in meteorology...

[Vakhidov] Today, in conditions of a shortage of information, especially on foreign countries to our south, the significance of satellite information can hardly be overestimated. Tests are currently under way on computerized data-processing technology for processing information from the NOAA [as published] satellite to determine the vegetation mass of pasture land. The next task is to forecast the productivity of cereals. Surveying from space is the main method of monitoring the snow cover on mountains, which is especially important for Central Asia.

[BVV] Let us switch from the Central Asian region to more global problems. An agreement to set up an international radio astronomy observatory on the Suffa Plateau, which is located at the Zaamin national park in Dzhizak Region, was signed with Russia last year. An ultra-large RT-70 radio telescope with a 70-meter diameter reflector was due to be established here on the northern slope of the Turkestan ridge. Only a few countries have such systems...

[Vakhidov] Indeed, the RT-70 is an instrument which has few equals in the world. Suffice to say that the huge mass of its 70 meter reflector leads to perceptible gravitational deformations. That is why the RT-70 provides for automatic regulation of the form of the reflecting surface of the reflector: it consists of 1,188 reflecting

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panels, which can move with the help of small motors. The position of each panel is determined by a special radio-holography system - a special microwave transmitter has been installed opposite the telescope on the top of the Shau Kartau ridge. It constantly monitors the position of each panel and causes the small motors to put them in a position which gives the whole reflector the form of an ideal paraboloid. The telescope's guidance system uses automatic laser devices and the accuracy of the guidance is guaranteed by transducers which react to a movement of 0.3 seconds of the arc. The main part of this installation has now been erected and 60 percent of the equipment has been assembled. International interest in Suffa is so high that it has become necessary to set up an international committee, which might increase the number of members of our bilateral agreement. For example, Italian, Dutch, German, Australian, and American scientists have expressed a desire to work at Suffa...

[BVV] We all wish this ambitious project success. Now, tell us a little about the wonderful instruments which work in space. I am talking about the development of transforming structures for space equipment under the Interbol and Radioastron programs.

[Vakhidov] The Interbol international program envisages the development in near-earth orbit of a system consisting of four space apparatuses to carry out, in particular, a study of the mechanisms for transmitting the energy of solar plasma to the earth's magnetosphere. The Koynot scientific production association has developed self-unfolding rods for this to extend devices to a distance of up to eight meters from the space apparatus. Made out of composite materials, these rods can carry up to eight various devices. Moreover, we have developed not only rods but also equipment for testing them in conditions close to those in space.

[BVV] Are you sure that the results of tests on earth will be confirmed in space?

[Vakhidov] Of course, I am sure, for the simple reason that the first four rods have been already working in space on board a spaceship since August 1995. A new set of such units from Uzbekistan will be put into orbit between May and August.

[BVV] Is work on the Radioastron program being conducted at present?

[Vakhidov] This program provides for the development of a "space-to-Earth" antenna system, for which we have drawn up a design for a transforming 10-meter reflector. This structure is a step forward in space instrument-making. It is also a successful step: preliminary tests of the reflector and its support at the Semen Lavochkin [Soviet aircraft designer] scientific production association and at the European Space Agency's heat-vacuum laboratory have convinced us of this.

[BVV] Is Uzbekkosmos today not just a pioneer in space technology, but also engaged in "conventional" aviation?

[Vakhidov] We are still only just "approaching" this problem, but it is not ruled out that this topic will attract us as part of the defense industry conversion process. The economic prerequisites exist. What is known as light administrative aviation has a large number of orders today, and Uzbekistan has a powerful potential in aircraft production. The average age of piston-driven aircraft in the world is now 23 years! Many design bureaus in the CIS today are developing light aircraft: the R-40 "Pegas" has been developed at the ANTK in the town of Beriyev, the MAI-890 at the "Aviatika" ANTK, and the SP-39 at the "Lukovitskiy Mashzavod" MAPO [acronyms transliterated as published]. Even MiG has designed a light aircraft! "Aviatika" aircraft are being sold actively to Britain, Brazil, and Argentina. I think it will be a four-seater aircraft capable of carrying a load of up to 60 kilograms...

[BVV] These are plans, but now let us "come back down to Earth." I mean joint investment programs.

[Vakhidov] Uzbekkosmos is setting up joint ventures with the United States, Russia, the Czech Republic, and Bulgaria as part of investment programs. In particular, construction of a complex to make dairy products by the Uzbek-Bulgarian joint venture Ariyes is nearing completion. A joint venture has been founded with the Czech joint-stock company "Tesla-Votica," which has already been assembling and adjusting telecommunications equipment for four months. A joint venture with the American company MST is operating successfully — it is engaged in cellular communications. Besides that, we also carry out work on economic contracts, from designing a lint plant to multifunctional milling combines. Of course, these combines do not fly into space, but they operate just as reliably as space technology.

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Armenia

Armenia: Russian Patriarch Aleksey II Begins Visit

NC0105141196 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 1 May 96

[FBIS Translated Text] Patriarch of Moscow and All Russia Aleksey II arrived in Armenia today at the invitation of Catholicos of All the Armenians Garegin I. Our correspondent [name indistinct] reports:

[Begin recording] Patriarch of All Russia Aleksey II was welcomed at the airport by Catholicos of All the Armenians Garegin I, members of the holy synod, Russian Ambassador to Armenia Andrey Urnov, and other officials. [passage indistinct]

During his three-day visit the Patriarch Aleksey will be received by Armenian President Levon Ter-Petrosyan. The Russian church leader will also meet [words indistinct], place a wreath at the monument to the victims of the genocide and at the monument to the Russian soldiers who died in defense of (?Echmiatsin in 1827) [end recording]

Armenia: President on Importance of Farmers Union

NC0105140696 Yerevan NOYAN TAPAN in English 0620 GMT 1 May 96

[FBIS Transcribed Text] Yerevan, April 30 (Noyan Tapan) — Armenia's President Ter-Petrosian described establishment of the Union of Farmers as the second important step after the establishment of the Union of Industrialists toward formation of the civic society. President said the creation of the Union was more important than establishment of political parties.

Addressing Saturday Union's constituent assembly, Ter-Petrosyan underlined that today Armenia's farmers, which include almost 315,000 owners and are considered to be a huge and powerful social stratum, are forming its civic institution quite in time. According to President, the existing agrarian unions and parties represent rural "nomenclatura" rather than today's peasantry. "The same can be said about Russia's Agrarian Party which represents Russia's rural bureaucracy", Ter-Petrosyan said. Describing it as Russia's great mishap, Ter-Petrosyan added that if the privatization of land had been completed in Russia 3-4 years ago, today Russia would not confront the danger of communism.

Levon Ter-Petrosyan said the timely privatization of land in Armenia was a great achievement in the line of economic reforms implemented in Armenia.

President noted that although ideological approach and revolutionary romantism was predominant on the issue of land privatization in Armenia and "if we even suppose that here we were led by intuition, then today we can be proud that our inner voice did not let us down".

President alleged that land privatization in Armenia would be the first and chief subject of study in Armenia's statehood building history. He pointed to some historic circumstances related to this problem. According to Ter-Petrosyan, both in Western and Eastern Armenias, an Armenian has never been a land owner. Free peasantry existed on a small area of the historic Armenia, in Amanos mountains, Musaler-Zeytun area, in Sassoun mountains and in Karabakh. "The history of the last 100-150 years of the national liberation movement of the Armenian people testifies that in the areas where there was free peasantry, the national liberation movement existed as well. Therefore, land privatization bears not only economic importance, but is significant for national and state independence as well", Ter-Petrosyan emphasized.

Levon Ter-Petrosyan stressed that if in 1992 the land had not been given to its owners (peasants), Armenia could not have been able to escape famine. "And for this all our nation, I mean not only Armenia but the Diaspora as well, should thank our long suffering peasantry, which saved our state". "Even if it did nothing, but keeping its relatives living in cities (almost 1.5 million people), it would be enough to treat it as nation's saviour", President said. Nevertheless, for the past five years the peasantry have managed to do even more. Citing data on agricultural produce output in Armenia, President noted that in this field no losses have been reported, and if they did occur, they were too insignificant as compared with the overall economic decline.

According to Ter-Petrosyan, the land privatization would have been more effective, if it were coupled with development of the economy in general. For this purpose we need to reform all processing industries, trade system, technical and scientific services, in other words, all the infrastructure which must ensure high efficiency of the agriculture. All these faults are conditioned by both objective and subjective reasons, and "the Government and the authorities realize them quite well. Therefore, the newly established Farmer's Union should also say its weighty word as far as the resolution of these problems is concerned."

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Armenia: National Assembly Adopts Bill on Inspection Chamber

NC0105140296 Yerevan NOYAN TAPAN in English 0620 GMT 1 May 96

[FBIS Transcribed Text] Yerevan, April 30 (Noyan Tapan) — The National Assembly of Armenia adopted Monday a bill on Inspection Chamber. The bill was adopted in the first reading and sets status of the Inspection Chamber of the National Assembly, principles and forms of activities. Inspection Chamber is an organization which empowered to carry out audits (study and analysis). It is formed by the National Assembly of Armenia and is accounted to it. The major tasks of the newly established authority are:

1) to report results of audits to the National Assembly, and inform the Government about them;

2) to report findings on administration of budget, fulfillment of annual privatization and denationalization program, and on Central Bank's annual report to the National Assembly of Armenia;

3) to provide National Assembly's deputies with information on administration of state budget, using of loans and credits allocated by foreign countries and international organizations and on privatization and denationalization process in previous six months at the beginning of next half-year;

4) to render methodological and professional assistance to commissions and deputies of the National Assembly.

Major principles of the Inspection Chamber are lawfullness, independence from executive power and publicity.

Armenia: Communist Leader Akopyan Addresses 1 May Rally

LD0105165896 Moscow INTERFAX in English 1636 GMT 1 May 96

[FBIS Transcribed Text] YEREVAN, May 1 (Interfax) — About 4,000 people Wednesday participated in a rally on the Theater Square in Yerevan launched by the Communist Party of Armenia on the occasion of the 1st of May holiday honoring labor.

"The country is marking the holiday of May 1 in difficult social-economic conditions: the republic is on the verge of a disaster," leader of the Communist Party parliamentary faction Leonid Akopyan told the demonstrators.

"About 80 percent of the economy has been destroyed. Industrial output has dropped by 60 percent. The 'shadowy' economy accounts for 38-40 percent of overall production," he said at the rally.

Unemployment is on the rise in Armenia, "and 90 percent of the population are living in poverty," he said.

"Armenian foreign debt now stands at $560 million, but it will exceed $1 billion in 1998," Akopyan said.

He also criticized present privatization methods.

As a result of the governmental economic policy, "Armenia is incapable of resolving any economic problem without interference by international financial organizations," he said.

Akopyan urged his compatriots in Russia to help the Communist Party of Russia win the June 16 presidential elections so that Communist Party of Russia Chairman Gennadiy Zyuganov will be elected Russian president. "Only this party is capable of taking Russia out of the crisis," he said.

Those at the rally called for ousting the present Armenian authorities "by constitutional or revolutionary methods."

The Communist Party of Armenia includes over 60,000 members, those at the rally claimed.

Georgia

Georgia: OSCE Sponsors Accord Between Georgia, South Ossetia

LD0105131896 Tbilisi BGI in Russian 1215 GMT 1 May 96

[FBIS Translated Text] [No dateline as received] A Georgian-Ossetian memorandum on mutual trust, which has been endorsed in Tskhinvali, will be signed by Georgia, South Ossetia, North Ossetia, Russia, and the Organization for Security and Cooperation in Europe [OSCE], Ambassador Dieter Boden, the head of the OSCE mission in Georgia, said in an interview with the "Alioni" program of Georgian television. It is intended that the memorandum will be signed in Moscow, where consultations on the issue are under way.

Dieter Boden also said that the OSCE mission is preparing a meeting between Georgian President Eduard Shevardnadze and Ludvig Chibirov, chairman of the South Ossetian Supreme Council.

Georgia: Businessmen Walk Out on IMF Envoy Meeting

LD0205104296 Tbilisi BGI in Russian 1515 GMT 1 May 96

[FBIS Translated Excerpt] Mohamed Shadman Valavi, head of the southern section of the IMF's Second European Department, had a meeting with Georgian businessmen today. The meeting was held at the businessmen's request.

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Their attitude toward the taxation system in Georgia is well known, as is the fact that they regard the IMF as the principle source of their misfortunes. [passage omitted]

The businessmen literally pounced upon Shadman Valavi.

Zurab Tqemaladze, a member of the economic council of the Georgian president, said: "High taxes mean we cannot work — especially taxes on alcoholic beverages and tobacco products. Entrepreneurs find it more profitable to import than to produce locally. So factories are at a standstill. The previous parliament increased excise duties 1,000 percent. When we ask questions, the government refers to the IMF. Is the IMF really killing Georgian business?"

Gogi Topadze, manager of Qazbegi Brewery, said: "The IMF recommendations are the source of all our misfortunes. The government says: A 200 percent rise in excise duties on beer and tobacco products was demanded by the IMF. Is that really so? There are no such taxes elsewhere in the world. They have led to the closure of five breweries which employed some 14,000 people. Your recommendations will leave them without work. I cannot believe that you are not aware of this. You maintain that you are against tax privileges. Meanwhile, privileges granted to various structures and firms have cost Georgia's budget 90 million lari." [passage omitted]

Shadman Valavi highlighted three points from all he heard at the meeting, and said: "You want to know whether the IMF recommendations promote Georgia's economic growth. You want privileged conditions for some branches of the economy. You want to find someone to blame for the fact that some industries are at a standstill. [passage omitted] Several months ago, the recommendations suited you. Now that the crisis has been overcome, they no longer suit you. A point of collective responsibility arises.

"If our policy harms your economy, your government should be accountable for that along with us. When we gave your government IMF recommendations, everyone seemed to be pleased. Today, I am surprised by your temper and behavior. I shall reiterate that I am categorically against tax privileges. The privileges that were granted resulted from a compromise between the IMF and your government. We had to introduce many corrections at your government's request. As far as excise duties are concerned, I can list many countries where they are even higher than in Georgia. The IMF cannot help if the demands it stipulates are not met. If your government refused to work toward this, we would not help you."

This was too much for the businessmen and most of them walked out amidst a lot of noise and shouting.

Shadman Valazi went on to say: "I understand that your production has become unprofitable. But we can draw absolutely different conclusions from this fact. Either you have to increase efficiency at enterprises or admit that they are not profitable."

"That is not the answer we want!" "Just leave us alone! We can cope with our problems ourselves," shouted the businessmen.

Shadman Valavi paused before going on to say: "Tobacco and alcohol production are very labor-intensive and salaries are very low here. If even with these low salaries, you need protection against imported products and demand tax privileges, it means that the enterprises are inefficient. I know you won't like my answer. Yes, we are against privileges and your misfortunes are not caused by the lack of privileges."

The businessmen no longer wanted to hear what he had to say. Feeling hurt and misunderstood, they continued the debate in the hallway. Shadman Valavi finished his speech in a virtually empty hall. [passage omitted]

Georgia: Communists Hold May Day March in Tbilisi

LD0105141396 Tbilisi BGI in Russian 1215 GMT 1 May 96

[FBIS Translated Text] A May Day demonstration, organized by the Georgian United Communist Party, was held in Tbilisi today. BGI correspondent Levan Gudadze reports the details.

Early in the morning the participants in the rally gathered near Saarbrucken Square, formerly named after Karl Marx. About 150 people gathered there were asked through a megaphone to show restraint and to abide by law and order. Communists did not conceal their fear of provocations.

In double file, and without stepping off the sidewalk, veterans marched toward the Mother Tongue monument. They were carrying red banners, portraits of leaders of the proletariat, and banners bearing slogans such as "Our cause is just, we shall win," and "The USSR means peace, prosperity, and dignity for the country."

Another group of like-minded people waited near the monument. They also held red banners and slogans. With trembling hands, the veterans tried hard to raise portraits of Lenin and Stalin as high as possible.

Giorgi Nebieridze, secretary of the Georgian United Communist Party, congratulated the rally on the May Day celebrations. The participants in the rally sang the USSR anthem. Then speeches glorifying the USSR followed.

Some 50 policemen protected the rally from hostile plotters.

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